No. 34.367

Published With The New York Times and The Washington Post PARIS, FRIDAY, AUGUST 27, 1993

ESTABLISHED 1887

### U.S. Dispute With China Deepening To Hostility

By Jim Mann

Los Angeles Times Service WASHINGTON - After months of trying washing on — After months of trying to play down frictions with China, the Chinton administration is headed toward a broad series of open disputes with the Beijing government ranging from human tights and arms control issues to the next Olympic Games.

Underlying the confrontation are not only

domestic factors in both countries but also. some say, widening differences in global strate-

gy.

On Wednesday, Washington amounced long-threatened economic sanctions against China for the sale of advanced missile technol-

ogy to Pakistan.

But that action on sanctions, in the planning stages for months, is only one of several signs of the increasingly sour relations between the United States and China. (Page 4)

"We're very close to a hostile confrontation," said a China specialist, Richard Solomon, of

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the Rand Corp. research organization. "There's a nexus of pressures that are building."
"Neither side sees it as in their national

interest to drift back to a relationship of hostility." Mr. Solomon added. "But we are drawing close to that sort of relationship again."

China is increasingly irritated by resolutions in the U.S. Congress expressing opposition to Beijing's effort to win the Olympic Games in

Clinton officials are unhappy with China's treatment of a leading dissident, Han Dongfang, who was stripped of his passport and denied permission to re-enter China after. spending time in the United States.

Amid all these other tensions, China has put off for several weeks a planned visit by Assistant Secretary of State John Shattnek; the official assigned to discuss human rights problems

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between the two countries.

Mr. Shattack's trip, originally planned for August, will not come until late September or October, after the International Olympic Committee makes its final decision on the site.

Finally, by all accounts. Chinese officials have been infuriated by the Clinton idensistration's behavior toward the Yinhe, a Chinese ship that U.S. officials suspect is encyting damagerous chemicals to Iran be used in a possengas program.

gas program.

China has adamently depict the US accesations and the Common transfer of the a hig country, the Americans can treat us this, " said an Assan discountry treat us

The cargo of the Chinese ship now is schad-nied to be inspected at a port in Saiati Arabia. While insisting that the United States is still looking to maintain a "constructive" relationship with China, a senior U.S. official acknowl-Sec RIFT. Page 4



Chancellor Helmut Kohl receiving Prime Minister Edouard Balladur on Thursday for talks on trade and monetary cooperation.

### **Bonn Supports Paris** In U.S. Trade Feud

### Bundesbank Holds Firm on **Interest Rates**

By Brandon Mitchener

International Herald Tribune
FRANKFURT — Unfettered by worries of unleashing a new European currency crisis, the Bundesbank left interest rates unchanged Thursday in a blunt message to Germany's

neighbors to fend for themselves.
The Bundesbank's decision confirmed that it was more interested in taming German inflation than in the broader economic problems of Europe. It also appeared to be a signal to the other countries in the European Monetary System to take advantage of the system's new flexibility and lower rates themselves without waiting for another one from Frankfurt.

The decision by the German central bank's policymaking council, along with the current more flexible system of exchange rates in Europe, "will press policymakers in other countries to make more pragmatic decisions" with regard to their currencies and economies, said Kermit Schoenholtz, chief German economist at Salomon Brothers in London.

"Each country now has more scope to deal with its own domestic policies," said Ulrich Beckmann, an economist at Deutsche Bank Research.

By leaving its discount rate unchanged at 6.75 percent in the council's first meeting after a four-week summer break, the Bundesbank disappointed expectations in some quarters of a cut in the rate it charges on loans to commercial banks. Its decision also put pressure on other currencies, as higher German interest rates will continue to make the Deutsche mark more attractive to international investors.

The mark rose 3 centimes against the French currency, to 3.50 francs, after the Bundesbank's decision. The dollar also fell against the mark on the realization that German interest rates would stay high for the time being. (Page 11)

France has kept its interest rates high to prevent an exodus of funds to Germany that could further depress the French currency. Despite increasing unemployment, Prime Minister Edouard Balladur of France has insisted on a strong franc as a pillar of his economic policy.

In Bonn, where Mr. Balladur spent the day discussing French-German relations with Chancellor Helmut Kohl, Mr. Balladur refused to comment on the Bundesbank's decision to keep rates steady. "I will not say anything," he said, seeking to end their meeting on a harmonious note. Mr. Kohl also declined to comment. But some economists, increasingly impatient with France's caution, called Thursday for decieconomy through lower interest rates.

France's policy of using high rates to defend the franc despite new latitude gained from the latest currency shakeout was "truly hizarre" before the Bundesbank's decision Thursday

See RATES, Page 12

### **Kohl Finds** 'Problems' in Farm Accord

By Rick Atkinson

Washington Post Service
BERLIN — Chancellor Helmut Kohl signaled a new willingness Thursday to support France against the United States in a trade

dispute over subsidized agricultural exports. The German leader spoke after a two-hour meeting in Bonn with Prime Minister Edouard Balladur of France that was intended to shore up shaky relations between the two commental

Mr. Kohl said he agreed with Mr. Balladur that there are "enormous problems with the agricultural part" of the Uruguay Round of negotiations to liberalize world trade.

Mr. Kohl's apparent shift raises questions about the European Community's so-called Blair House pact with the United States. The accord, worked out as part of efforts to con-clude the seven-year-old Uruguay Round, calls for the reduction of subsidies for agricultural exports, a sore spot with France, Europe's higgest farm producer.

[Asked about the chancellor's comment, a U.S. official in Brussels said, "That's not a cheerful sign," Tom Buerkle of the International Herald Tribune reported. "We're counting on the EC sticking to their deals and not wrig-gling out of them," the official said,

[The agreement's key provisions would limit EC farm exports, and Washington has considered the issue closed since the accord was reached in November, the official said. Any reopening of the accord would be a step backward in efforts to conclude the Uruguay Round by the Dec. 15 deadline, Even without touching the Blair House pact, the United States still has major objections to European proposals to limit farm imports through quotas and tariffs, he

The summit meeting Thursday was the latest in a series of high-level French-German confer-ences this week that included talks between foreign, defense and agriculture ministers. A scries of policy disputes hetween Paris and Bonn, reflecting Western Europe's groping at-tempts to redefine itself after the Cold War, had led to what an EC official called "a dangerous drift." The French daily Le Moode declared that the French-German relationship bad reached an "hour of truth."

Most commentators believe that Germany, despite serious financial and psychological dif-ficulties resulting from reunification three years ago, is now ascendant.

Mr. Kohl clearly showed himself eager, nevprecisely how far the chancellor is willing to go in supporting the French position on agricultural trade remains unclear.

The German government has supported the Blair House agreement, and on Tuesday, For-

See GATT, Page 13

Crossword

### Sheikh Pleads Inno

Sheikh Omar Abdel Rahman, the militant Muslim cieric, pleaded not guity Thursday in New York to charges that he was the guiding light behind a "war of urban terrorism against the United States.

He and 14 co-defendants are charged with being members of an organization that bombed the World Trade Center, plotted to blow up other New York landmarks and planned a host of other violent acts, including kidnappings and assessmations.

The court appearance, exactly six months after the Feb. 26 Trade Center bombang, was marked by heavy accurity after the sheikh's followers in Egypt threatened to retaliate against the United States if he was harmed (Page 2)

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### At State Dept., 'Dissent and Frustration' Over Bosnia By Steven A. Holmes

New York Times Service WASHINGTON - It was the kind of cable that came across Jon Western's State Department desk every day for virtually a year: a 9-year-old Muslim girl raped by Serbian fighters, then left in a pool of blood while her parents watched helplessly from behind a fence for two days before she died.

It was the kind of cable that led Mr. Western earlier this month to quit his job as an Eastern Europe analyst out of frustration with what he considered lack of U.S. resolve in dealing with the Bosnian crisis.

"The whole thing has been very demoralizing and very depressing," said Mr. Western, a soft-spoken man whose boy-ish features belie his age of 30. "I found myself walking home every might just angry and bitter. My wife could tell you of my large mood swings. You can't read through the accounts of atrocities on a daily basis, add them up and see what's happen-

### ing and not be overwhelmed. It calls into question your

Mr. Western is one of four midlevel staff members who have quit the State Department in the last year to protest U.S. policy toward the conflict in the former Yugostavia, saying they could no longer countenance a policy they feel rewards Serbian

The four said in interviews Wednesday that their actions

UN investigates charges some peacemakers supply black market in Sarajevo. Page 2.

were symbolic of a larger malaise within the State Department

over U.S. policy on the Balkans.
"The dissent is not confined to the European hureau," Mr.

Western said. "I've covered or been associated with the Yugoslav issue since the outbreak of hostilities. In my time, I have met one, possibly two people, in the department below the level assistant secretary who believe in the policy."

Stephen Walker, 30, the Croatian desk officer who resigned this week, also said that anger with the policy toward Bosnia runs deep within the department. After word swept the build-ing that he too was quitting in protest, Mr. Walker said. numerous colleagues "said they agreed with my frustrations

with the policy." Three of the dissidents - Mr. Western, Mr. Walker, and George Kenney, who resigned last year — spoke in a joint interview Wednesday about their experiences. A fourth, Marshall Harris, onetime leader of the dissidents at the State

Department, was interviewed later by telephone.

The three who quit recently said they felt that others would resign if they were not encumbered by family responsibilities. "The four of us are young." Mr. Western said. "That affords a certain luxury of being able to make the jump."

State Department officials reacted testily when Mr. Harris

quit, the first of this spate of resignations. Some officials See POLICY, Page 2

### Nigerian General Steps Down but Names Leader

Page 9.

By Kenneth B. Noble New York Times Service

LAGOS - Ending months of speculation, I new civilian leader of Nigeria was sworn in on Thursday after the country's military rules for eight years, General Ibrahim Bahangida, resigned.

Ernest Shonekan, a 57-year-old Harvard structed businessman, was appointed by Gen-cial Bahangida to head a new interim government in Africa's most populous country.

He has been chairman of the former Transional Council, a group created in January by would succeed him. tional Council, a group created in Jamuary by the military authorities to oversee Nigeria's return to democracy.

But General Babangida, 52, enigmatic as ever, kept Nigerians waiting virtually until the final minutes of his reign before formally annonncing his intention to resign.

After a lavish brass-band military parade in Abuja, Nigeria's new inland capital, General

Afterward, in a brief acceptance speech, Mr. Shonekan said his main task was to hold a new presidential election and turn the government over to n democratically chosen head of state.

Mr. Shonekan's commitment to democratic rule beyond symbolism is questioned by the See NIGERIA, Page 4

### End of the Ozone Threat May Be in Sight

By William K. Stevens

New York Timer Service NEW YORK — The buildup of the industrial chemicals most responsible for depleting the Earth's protective ozone layer has slowed substantially, government scientists reported

Thursday.

If the trend continues, they said, the increase in the chemicals should halt before the end of As a result, the worst of the ozone destruc-

tion should come around the turn of the century, after the maximum load of chemicals slowly Wafts up to the stratosphere where ozone depletion takes place.

Then, as the chemicals are gradually de-

stroyed by natural processes, the ozone layer should begin a recovery lasting 50 to 100 years. The coone layer steps the sun's harmful:
the avoider rays from reaching the sunface of the
Earth,
Unimpeded, those rays can cause skin cancer

and criaracts and discrept ecological processes. are the global slowing of the buildup of econessis.

destroying chemicals in the atmosphere had not been detected before.

It is being attributed to industry's unexpectedly rapid cut in production of the chemicals even before international agreements to phase them out took full effect. The effort to rein in the ozone destroyers is

widely seen as at least one instance in which

government and industry have responded effec-tively to an environmental threat, once per-suaded by executives of its seriousness. "Here is a beautiful case study of science and public policy working well," said Dr. James W. Elkins of the National Oceanic and Atmospheric Administration's climate diagnostics

laboratory at Boulder, Colorado, who was the leader of the team that detected the slowing rate of the chemicals' increase.

The chemicals, called chloroftuorocarbons or CFCs, have been used as cleaning solvents and cooling agents in air-conditioners and refrigerators as well as in the production of form.

packaging materials and insulation. Now they

are being replaced in all those uses, producers

Mr. Elkins said "We were all caught off guard" by the improvement. "We didn't expect it to occur so soon," he

As reported in Thursday's issue of the British journal Nature, the scientists measured atmospheric concentrations of the two most important ozone destroyers, CFC-11 and CFC-12, at a number of locations in the Northern and

Southern Hemispheres. CFC-11 and CFC-12 are the two most re-

sponsible for ozone depletion, said Mr. Elkins, an atmospheric physicist. He and his colleagues found that the growth rate for concentrations of CFC-11 dropped from an annual average of 11 parts per trillion from 1985 to 1988 to 3 parts per trillion in 1993. For CPC-12, the growth rate dropped from 20 parts per trillion in 1985-88 to 11 parts per trillion in 1993. "That's good news," said Michael Oppenhei-

mer, an numospheric scientist. But while the findings are encouraging, he pointed out, stratospheric ozone "will not return to normal levels for several generations."

### Bubba Golf: Hit Until You're Happy Clinton Is All Play, No Work on Links



The president, when not playing golf, has

been known to enjoy an ice cream cone.

By Ruth Marcus

Washington Post Service
MARTHA'S VINEYARD, Massachusetts - He looks like Everygolfer. Crouching with pained concentration to judge the proper angle for his putt. Standing at the tee, grooving practice swing after practice swing only to slice haplessly into the rough when it's time for the real thing. Shouting vainly after an, overenthusiastic putt, "Stop! Stop! Stop!" or cajoling a promising drive, "Whoa, mama,

Everygolfer is a middle-aged, thick-middled man outfitted in the manner that golfers inexplicably favor - shirts that accentuate the chunkiness of prosperity and preppy pas-tel pants cut large, with the belt hanging a hit below the paunch. Today, he is wearing an all-lavender get-up so doofy-looking, so White Guy, that you just know Chelsea took one disgusted teenage glance and rolled ber cyes. "Oh. Daddy," she surely said, "you're not wearing that!"

But be is, complete with canvas belt decorated with little green outlines of the Vineyard and a broad-brimmed Farm Neck Golf Club straw hat to keep him out of trouble with his wife. (Hillary Rodham Clintoo was none too pleased in Hawaii when reporters tattled on her husband for venturing out improtected. "He was supposed to wear a hat and was supposed to wear sunscreen," she said. "Oh, my poor husband.")

On the course at the Farm Neck Golf Club here, President Bill Clinton ribs his golf buddy, Sheldon Hackney, the chairman of the National Endowment for the Humanities. "] got n new idea - try the fairway." To Web-

ster L. Huhbell, the associate attorney general and the favorite Presidential Golf Partner, the president generously awards a gimme on a three-foot putt. He trades high-fives with Vernon E. Jordan, who serves the important function of making the president's average golf game look good by comparison.

On the golf course, the president is just Bill Clinton, regular guy, out there with the rest of the duffers, a few hours on the links with the boys. Away from the family, away from Bos-nia and Boh Dole. Golf is the preferred form of presidential relaxation, and Mr. Clinton plays as often as he can.

One day during the transition period last winter, he persevered through rain and fog at Chenal Country Club in Little Rock, Arkansas. Scarcely an hour after the funeral service for his father-in-law. Mr. Clinton and his two hrothers-in-law played seven quick holes be fore sunset at the Little Rock Country Club.

During the weekend when his aides were pressing for a decision on his Supreme Court nominee, the president slipped out for a round both Saturday and Sunday. Here on the Vineyard, the president so far

has squeezed in two games amid the whirl of social dinners, yachting and lazing about, Shopping for books on Monday, Mr. Clinton said he did not expect to be doing more golfing here.

"I think I'll spend the rest of my time with Hillary and Chelsea," he said. For n man who sat at n timber summit meeting for as long as it took to renew the Old Growth forests, a man whose recent vaca-

tions consisted largely of seminars at the See GOLF, Page 2

## Are Troops Exploiting Bosnians? UN Takes a Look

SARAJEVO. Bosnia-Herzegovina The United Nations began investigating UN trucks that had brought food and allegations Thursday that peacekeeping troops in Sarajevo have been exploiting the city's miscry by samaging narcotics and supplying the black market with cigarettes, alcohol and food.

A London newspaper, The Guardian, reported Thursday that the Sarajevo police suspected that Ukrainian soldiers serving in the United Nations peacekeeping force had smuggled heroin concealed among oranges into the city.

As this dispute over Sarajevo unfolded, another was developing in Mostar, south-

children refused to allow the departure of medicine to the besieged Muslims.

In Sarajevo, the Loodon newspaper said, there was "clear evidence that large-scale prostitution is taking place inside the French and Ukrainian military com-

The paper said the Sarajevo police would discuss the issue Saturday with a team of peacekeepers were accepting gold jewelery UN military investigators traveling to the in exchange for cigarettes, food and alco-Bosnian capital to root out war profiteer- hol. ing among the peacekeepers.

for UN troops.

A doctor told BBC that Sarajevo's heroin addiction problem had worsened markedly since the Serbs put the city under siege nearly 17 months ago.

The Guardian said some of the city's 3,000 French, Egyptian and Ukrainian

"According to local women interviewed The Sarajevo police said they believed, by The Guardian, they are being paid for

their barracks with the knowledge of their

In beleasuered and overcrowded Mostar, frantic women and children blocked the UN aid convoy from leaving despite pledges from Muslim military leaders that it was free to go.

"As long as you are here we are safe," a woman named Sonja told UN military observers. "When you leave the soldiers will

"Those whom we came to help have been

west of Sarajevo, when Muslim women and children refused to allow the departure of UN trucks that had brought food and UN trucks that had brought food and city in March, hidden in oranges destined are also serving Ukrainian soldiers inside Nations peacekeeping force.

A Muslim official, Alija Alikadic, denied the convoy was being held hostage and said the refusal by women and children to let it leave was a way to get world attention.

The trucks crossed into the Muslim sector of Mostar during the night after driving past angry Croats who accused the UN forces of feeding killers.

U.S. cargo planes airdropped supplies into the Muslim quarter during the night when it appeared the land convoy was unlikely to get through. (Reuters, AP)

### WORLD BRIEFS

### PLO and Israel Said to Draft **Interim Plan in Secret Talks**

AMMAN (Reuters) - An official of the Palestine Liberation Organization said Thursday that Israel and the PLO had completed the draft of an accord for partial Palestinian control over Israeli-occupied territories. The accord was worked out in secret contacts over the last few days, the

Floated by the PLO to revive the stalled Middle East peace talks, the proposal calls for Israel to withdraw first from the Gaza Strip and the West Bank town of Jericho, while the rest of the occupied lands remained under a five-year period of interim Palestinian self-government. "These direct contacts have resulted in an accord in principle linked to

member of the PLO's Central Council. He said the accord, part of an overall package on self-rule, was clinched between a senior PLO official and a top Israeli government official. He declined to identify them. The plan will be raised at the 11th round of Arab-Israeli peace talks, set to start in Washington on Tuesday.

arrangements on an interim period of self-rule," said Saleh Raafat, a

### Israel Raids Southern Lebanon Sites

JERUSALEM (NYT) - Israeli warplanes fired missiles Thursday at a mountainside base of Islamic militants in southern Lebanon, but no casualties were reported in the raid, an apparent reprisal for the killing of nine Israeli soldiers a week ago by guerrillas of the Iranian-backed Hezbollah, the Party of God.

Israeli military officers would only confirm that there was "air force activity" in southern Lebanon, but gave no details. The strike, near the village of Ain Bouswar, was the second by Israel since the soldiers died in roadside bomb attacks. The first raid reportedly killed two guerrillas. There was no sign, however, that the Israelis planned reprisals comparable those last month that killed at least 130 Lebanese and temporarily forced some 250,000 civilians from their homes.

### Baghdad Denounces 2 Ex-Envoys

BAGHDAD (Reuters) - Iraq dismissed the defection to Britain of two of its ambassadors, denouncing them on Thursday as "blank car-tridges" and "bankrupt castoffs."

In its first reaction to the defections Tuesday by Hisham Shawi, 62, who was ambassador to Canada, and Hamed Jabouri, 61, ambassador to Tunisia until be retired last week. Iraq insisted that their departures would do nothing to undermine the government of President Saddam

Hussein. Both men have pledged to work with opposition groups in exile for the overthrow of the Iraqi government.

"The need for them will vanish and they will be doomed to darkness and eternal disgrace," said the ruling Arab Ba'ath Socialist Party newspaper, Ath Thawra. "The two were blank cartridges with nothing inside but empty voice and smoke." The paper said they were "bankrupt castoffs, without honor and national feelings."

### Yeltsin Condemns Prague Invasion

PRAGUE (NYT) - In a commemoration of the 25th anniversary of the Prague Spring and the 1968 Soviet invasion that crushed the Czech reforms, President Boris N. Yeltsin of Russia and President Vaclay Havel of the Czech Republic signed an agreement Thursday that pledged to draw a final curtain on the past.

Mr. Yeltsin's five-hour visit carried a special poignancy because it fell on the exact date 25 years ago when Alexander Dubcek, the Czechoslovak leader, was forced to sign the humiliating Moscow protocols that sealed the fate of Czechoslovakia as an occupied satellite of the Soviet Union. Mr. Yeltsin condemned the invasion as "an assault on the sovereignty of an independent state." but said that present day Russia was not responsible. In what seems to be a continuing role for Mr. Yeltsin of ring for Soviet sins, he laid flowers at the memorial to a young woman,

### Marie Charouskova, who was shot by Soviet soldiers 25 years ago. **UN Leader Urges Easing of Haiti Ban**

UNITED NATIONS, New York (AP) — Secretary-General Butros Butros Ghali recommended Thursday that the Security Council suspend the oil embargo imposed on Haiti.

The recommendation was made because of the ratification by Haiti's parliament of Robert Malval as the new prime minister, said a spokesman for Dante Caputo, the UN mediator of the Haiti peace accords. The ratification of Mr. Malval, the choice of the exiled president, the Reverend Jean-Bertrand Aristide, was a key requirement for the lifting of the sanctions imposed in June.

The recommendation is for suspension of the oil embargo and the freeze of Haitian assets abroad. The sanctions would be lifted permanently only if Father Aristide is restored to power by Oct. 30.

### TRAVEL UPDATE

Some 850 aircraft maintenance workers at Maley Hungarian Airlines

The Greek government on Taursday decided to restrict traffic in the

North Korea has resumed accepting visitors from Japan after a three-month suspension, Japanese officials reported Thursday. (AP)

The longest suspension bridge in eastern Japan was opened to traffic across Tokyo harbor on Thursday. Officials hope the 798-meter (2.618foot), two-tiered Rainbow Bridge will ease Tokyo traffic problems. (AP)

Danish SAS flight attendants threatened Thursday to go on strike this weekend if talks about longer working hours fail at a meeting with the Scandinavian carrier management. Torrential rains flooded roads and disrupted traffic and electricity

supplies in northern Spain on Thursday. The streets of Tarragona on the diterranean coast were under several feet of water and the city of Gjion was partly cut off after being deluged with rain.

### Serbs, in World Court, Deny Guilt

By Stephen Kinzer

New York Times Service THE HAGUE — Lawyers for the remnants of Yugoslavia told the World Court on Thursday that their government had no territorial ambitions in Bosnia-Herzegovina and was not supporting any militia forces fighting there.

"Yugoslavia cannot be held responsible at all for the course events have taken on the territory of the former Yugoslav Republic of Bosnia-Herzegovina, nor for an crimes including the crime of genocide, said Miodrag Mitic, chief legal officer of the Yugoslav Foreign

"The Federal Republic of Yugoslavia has no paramilitary of any kind, either within or out of its

Asked about this during a break in the courtroom arguments, a senior legal adviser to the Muslim-led Bosnian government, Francis A. Boyle, replied: "It's a total lie. You know it and I know it."

Mr. Boyle said he had written to Secretary of Defense Les Aspin asking for access to surveillance photographs that be believed would prove that Yugoslavia was aiding forces fighting in Bosnia, but has received no reply.

Mr. Metic and Mr. Boyle were among lawyers arguing an unusual case before the World Court, which is the principal judicial organ of the United Nations. In the case, Bosnia and Serbian-dominated Yugoslavia are accusing each other of genocide. Both sides hope that a sympathetic decision from

the court would influence world opinion and shape the continuing debate over Bosnia at the United Nations. In the courtroom Wednesday, lawyers for Bosnia urged the court to rule that the UN-sponsored negotiating process in Geneva was illegal because it was aimed at forcing Bosnia's government to accept the results of genocide. Mediators in Geneva have proposed that Bosnia be divided into three ethnic

Bosnian lawyers also asked the court to overturn the arms embargo imposed on Bosnia by the UN Security

At the Thursday session, lawyers for Yugoslavia argued that the court had no power to issue such

"The court is being invited to take political decisions, to substitute itself for the will of other countries and organs," said Shabtai Rosenne, an Israeli law professor who is a legal adviser to the Yugoslav

"This is far beyond the competence of the court, which has in the past repeatedly refused to substitute its judgment for thet of communities and states," be

"The court should not attempt to dictate to the republics of the former Yugoslavia, and perhaps to other states participating in the Geneva negotiations, how they should proceed and how they should negotiate," Mr. Rosenne said. "It would exacerbate the conflict."

In their arguments to the International Court of Justice, Yugoslav lawyers enumerated a series of grue-

some crimes they said have been committed by the Bosnian Muslims against Serbs. The terror the Serbs are now exposed to is the same as during the World War," said Djordje Lopicic, the

senior Yugoslav diplomat in the Netherlands.
Yugoslav lawyers told the court that Serbs in Bosnia
had been "compelled against their will to live in a Muslim-Croat state." They asserted that neither Bosnia's borders oor its government was legitimate.

Bosnian officials and their foreign supporters have blamed the two international mediators, Lord Owen and Thorvald Stoltenberg, for presenting a peace plan which they say rewards Serbian and Croatian

But at a news conference in the Hague, Lord Owen said the inaction of foreign governments had left the mediators no alternative.

### GOLF: On the Course, Clinton Is Just Another Duffer

Continued from Page 1

Renaissance Weekend, golf represents the last policy-

"He doesn't work out there," said Roy Neel, his deputy chief of staff and sometime golf partner. Hard as it may be for Clinton-watchers to believe, Mr. Neel said that when anyone starts to talk public policy, the president steers the subject back to golf.

Mark Grobmyer, a Little Rock attorney who has been a Clinton golf partner for 20 years, said one of the few exceptions to the no-business-on-the-course policy came the weekend before Mr. Clinton settled on Al Gore to be his vice presidential comine

"He talked about that a lot," said Mr. Grobmyer, who introduced Mr. Clinton to Mr. Gore during the 1988 presidential campaign. "That's about the only serious thing we've ever talked about."

Mr. Grobmyer said that since the start of the 1992 campaign, Mr. Clinton had managed to play golf more often than he had before. From the spring of 1992, he said, when Mr. Clinton found it harder and harder to carve out any privacy, the golf course was one of the few places to which he could escape. Out there, Mr. Grobmyer said, "he's an ordinary person who says

ordinary things and thinks ordinary thoughts."

The other day, the president was mighty pleased with himself when Mr. Grobmyer tried to fool him with one of those trick balls that disintegrates into dust when it is hit. He had fallen for the gag before, but as he has said repeatedly, he learns from his mistakes. He instructed another member of the foursome to take a whack at the "special ball."

The defining characteristic of George Bush's golf game was its brevity. In a reflection of his manic style, he played "speed golf," setting a personal record of 18 boles in a frantic hour and 42 minutes. Mr. Clioton's game is Bubba Golf - laid-back and

relaxed. He is in no hurry: 18 holes often stretches into five hours. Doo't like your first shot? Take a mulligan. Then another. No one's really counting - certainly not if they're playing against the president. "If you're the president you can hit as many balls as you want," Mr. Neel said. Earlier this month on the

18th hole in Vail, Colorado, Mr. Clinton hit his first ball into a sand trap and his second into a stand of trees. He made it up to the green with his third, which

he then proceeded to swipe past the hole.

Mr. Clinton also keeps more than the regulation 14

clubs in his bag. Some might say it's the perfect Clinton metaphor; Why choose among clubs if you don't have to? Why not NAFTA and health care and reinventing government? Mr. Clinton may have dis-covered the ultimate Clintonesque variation of the sport in Hawaii, playing with Governor John Waihee: aloha golf, hit until you're happy.

"Bill Clinton is probably more fun to play golf with than anyone I've ever played with in my life," Mr. Neel said. Compared with, say, Dan Quayle, a skilled goller who "was all wrapped up in it and so deter-mined to beat everybody and to play well that he tuned everybody out."

Mr. Clinton, in contrast, is the lead schmoozer on the course, the one in the foursome who has appointed himself the job of making sure everyone is happy and having a good time. Arm wrapped around a partner, he chats up a storm about golf equipment, golf

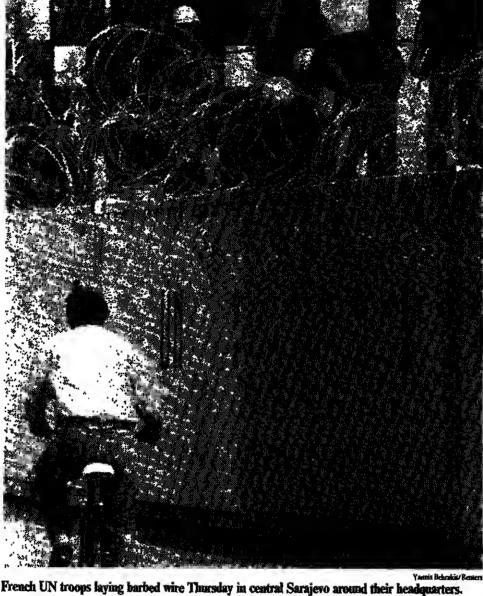
"He's like the great big jovial host," Mr. Neel said. "His golf game is sort of an extension of him in the anger within the department and sense that he makes people enjoy being with him when he's out there." Although golf is a popular presidential sport -

numerous presidents have played it since William McKinley took it up in 1899 — the game seems perfectly suited for the Clinton persona. It's hard to imagine Mr. Clintoo skiing: Whom would he talk to on the way down? Mr. Neel said the president told him that he had "tried it once and didn't

particularly like it." Likewise with tennis. Mrs. Clinton plays, and Mr. Grobmyer said Mr. Clinton once did, but gave it up when he started golfing. This is a man, after all, who takes along an audience when he An 18-handicap golfer who generally shoots in the high 80s, the president is strong on his putting game, a bit spotty on his driving technique. He is at the opposite end of the golf spectrum from the disciplined approach of Justice Sandra Day O'Connor, who

ned her technique on the driving range every week for four years before ever venturing onto the course. The man who ad-libbed his State of the Union address takes a similarly relaxed approach on the links.

When his golf game goes awry, much as when his presidency has faltered, Mr. Clinton is "mystified how he can play so badly, and he works himself into a very positive mood about it all," Mr. Neel said.



### POLICY: Resignations a Sign of State Dept. Malaise

Continued from Page 1

emphasized his youth and low ranking in the department and suggested that he was quitting because he was not involved more in policy-making. Such comments caused the State Department under Warren M. Christopher has become after the resignations of Mr. Western and Mr. Walker, department the tenure of James A. Baker 3d, officials have gone out of their way the previous secretary of state, who to say that resignation is an bonor-

able form of protest. Dissent within the government's foreign policy apparatus is oothing new, and neither are such resignations. Cyrus R. Vance quit as secretary of state in 1980 over President Jimmy Carter's decision to attempt to rescue hostages in Iran. W. Anthony Lake, oow national security adviser, was one of 10 National Security Council staff members to resign in 1969 and '70 over the

But, in the department there is general agreement that there has not been such public protest by

This administration has used and manipulated the media and poblic opinion on Bosnia," Mr. Harris said, "and so we should not

hesitate to protest publicly and make our views heard."

Ironically, the resignations come more open in allowing staff to express dissenting views than during the tenure of James A. Baker 3d virtually cut out the department's career professionals out of policy-

"My problems were not with the process, or the access," Mr. Walker said. "I felt that from my position I had sufficient opportunity to voice my opinions, my frustrations; that the department has tried to give opportunities to the professionals to bring up other options. But despite these opportunities that people have had, it's had little or no affect on policy. And that, I think, has increased the level of frustration within the department."

The dissidents cited a press conthose charged with carrying out a ference given by Mr. Christopher policy since the height of the Vieton July 21 as the low point. While Serbian forces were intensifying their siege of Sarajevo, the secretary of state told reporters that the Umited States was doing all it could

The next day, Mr. Walker said, Serbian forces lobbed more than 3,700 artillery shells into the city. "The signal sent to the Serbs was we're doing everything we can, go ahead, have a good time," he said. provide a specific alternative to current policy

We should have a clearly stated goal of getting rid of the Serbian government," he said. "Just putting an economic embargo and sanctious on them is oot going to do enough. We ought to close our embassy in Belgrade. Cut diplomatic ties. Throw them definitely out of the UN. Have Radio Free Europe broadcast into Serbia, telling the Serbian people, that, hey, you've got a lousy government, and until you change it, you're going to suf-fer."

There were differences in what appeared to be important about U.S. policy toward Bosnia. Mr. Walker spoke often in broad policy terms, saying the administration's inaction would harm American credibility, undermine UN peacekeeping efforts, and lead to a peace settlement that would not bold. He said it would also set a dangerous precedent for the oppression of ethnic minorities elsewhere. are on strike after talks with management over wage hikes broke down workers representatives said.

center of Athens after unseasonably high temperatures sent smog levels soaring to dangerous levels. The restrictions, which will be in effect from 7:00 A.M. to 3:00 P.M. Friday, allow only cars with license plates ending in odd numbers from circulating in the city center.

(AP)

Doctors have diagnosed 339 cases of typhoid fever or suspected typhoid fever in the southern Russian city of Volgodonsk, the Interfax news agency said Thursday.

(AP)

### Cleric Denies Leading 'War of Urban Terrorism' in New York

NEW YORK - Amid heavy courtroom security, the Muslim sheikh accused of masterminding the World Trade Center explosion pleaded innocent Thursday to concecting a campaign of bombings, kid-nappings and assassinations in the United

in Manhattan exactly six months after the Feb. 26 bombing. The appearance was are violent people who have demonstrated Sheikh Omar Abdel Rahman's first as a they successfully completed bombings and defendant in the alleged conspiracy.

After the blind sheikh's followers in Egypt threatened to retaliate against the orchestrating a terror network that spirators.

United States "if any harm occurs" to him, the courtroom was wall-to-wall with plainclothes security personnel, and streets out-side were lined with police officers.

Prosecutors said that other members of the terrorist cell might still be at large. "Whether or not we've identified the major players, obviously there's a concern Fourteeo co-defendants entered the that there may be others out there that we same plea during a hearing at federal court don't know about," said Matthew Fishbein, chief assistant U.S. attorney. "These

> planned others. The sheikh was charged Wednesday with

bombed the World Trade Center, killed the militant Rabbi Meir Kahane and plotted other assassinations, including that of

charged the suspects with plotting a "war of urban terrorism" against the United It also charged Sayyid A. Nosair with the murder of Rabbi Kahane, although be was

President Hosni Mubarak of Egypt. The indicament returned Wednesday

tied the whole package together, laying out the workings of a terror group that operation lawyer, Barbara Nelson. ed for at least four years prior to the Feb. 26 blast that killed six and injured more than 1,000 at the Trade Center.

The United Nations, a federal office building, and the Holland and Lincoln tunnels under the Hudson River were also targeted by the group, the indictment said. Sheikh Abdel Rahman, who has repeatacquitted of state charges in the Nov. 5.

Sheikh Abdel Rahman, who has repeatedly denied any involvement in the terrorattack U.S. military installations, murder ism, was identified as having been responsi edly denied any involvement in the terror-FBI agents and seize hostages as bargain-ing chips to gain the release of jailed con-and detecting government surveillance.

It was the first time that prosecutors had ties last week for deportation to Afghani-

mosques in Brooklyn and Jersey City, New Jersey, will now stay in the United States to face criminal charges. The outspoken for of Egypt's secular government has lived in self-imposed exile in New York since 1990.

The preacher, who spoke often at

A decade ago, he was cleared in Egypt on charges of sanctioning the 1981 assassi-nation of President Anwar Sadat. He is currently facing charges for his role in 1989 anti-government riots in his homeland, and the authorities there are still pressing for He was negotiating with federal authorihis return.

### Muslim Militants Vow to Act If U.S. Tries Sheikh in Plots

ASYUT, Egupt - The three main Muslim militant groups in Egypt threatened Thursday to attack "American interests" if the United States put Sheikh Omar Abdel Rahman, the radical Egyptian cleric, on trial for

A spokesman presenting himself as a representative of the groups said, "We threaten to take revenge against American interests in Egypt or abroad if the U.S. administration goes ahead with proceedings against our spiritual leader. Sheikh Abdel Rahman was indicted Wednesday in the Februar

bombing of the World Trade Center in New York that killed six people and wounded more than 1,000. The indictment included plots to detonate bombs at the United Nations, in two river tunnels and at other New York

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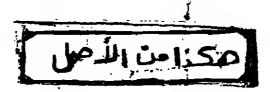
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### STATESIDE / MISSION IMPOSSIBL

Clinton-Greenspan: Odd Couple of the Year

WASHINGTON (AP)—By just about any measure, they are polar opposites: from different generations, regions, and political parties, and possessing different temperaturents and philosophies. So the harmonious public relationship between President Bill Clinton and the Federal Reserve chairman, Alan Gatenspan, often characterized as the second-most powerful person in government -

couldn't be more supprising.

Mr. Cinton, 47, the first Democraf in the White House since Jimmy Carter, believes in an activity government, one that intervenes to help people and the economy. Mr. Croenspan, 67, an adviser to Republican presidents for 20 years, is a champion of individual-

Republican presidents for 20 years, is a communion of individual initiative and free-market constalism.

Yet Mr. Clinton, at least so far, has sempenously deferred to the central bank's power to determine monetary policy independently. And Mr. Greenspan, for his part, provided cracial party support for the administration's budget deficit reducible party support for the administration's budget deficit reducible party support for the administration's budget deficit reducible party support for the administration and include an economist with Aubery G. Lanston & Co. "Greenspan is an intense, self-conscious, urbane, infraveried New Torker in contrast with Clinton, an outgoing back-slapping litins Prestor toring politician. They're strange bedfellows.

Relations between the administration and the Federal Reserve under Mr. Clinton and Mr. Greenspan stand in stark contrast to the

under Mr. Clinton and Mr. Greenspan stand in stark contrast to the often bitter sniping between the Federal Resegge and the Republican administration of George Bush.

### House Republicans Open Fire on Health Plan

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WASHINGTON—House Republican leaders have made a pre-emptive assault on President Bill Chinton's health plain, asserting in a new report that the Chinton approach would lead to major taxes. burdensome regulations and a huge loss of jobs among small

businesses.

The document, released by the House Republican Conference signaled the intensity of the coming struggle over revamping the health care system. Mr. Clinton is not scheduled to release his plan until late September, but the administration has already begin to campaign for us basic principles with a series of speeches and briefing books.

The document, which was not woted on by House Republicans, was released in the name of the conference chairman, Richard K.

Armey of Texas, the third-ranking Republican in the House. It represents one of the first major assaults on the administration's proposals, and Mr. Armey assaults on the administration's proposals, and Mr. Armey assaults on the administration's proposals, and Mr. Armey assaults on the reflected "some basic concerns that most Republicans share."

Republicans in Congress are far from amifed on the health-care issue, and some, particularly in the Senate, have sounded far more

conciliatory toward the administration in recent weeks.

But the report declares, "Indications are that the Cinton plan will destroy jobs, burden the economy with massive new taxes, lead to a form of health-care rationing and put the best health-care system in the world in serious jeopardy, all because the Clinton White House is approaching the ligalth-care problem as a monolithic one to be fixed.

approaching the heath-care problem as a incomme one to be intenin one fell swoop."

A White House spokesman, Kevin Anderson, responded: "This is
such transparent demagognery that it is laughable. He is throwing
every scare tactic in the book at a plan that hasn't even been
announced, and not a single bit of it sticks in the face of the lacts.

The president's plan will achieve samplicity and improve quality,
savings that will fuel job creation, and, most importantly, the
security of health care that's always there for every American, no
matter what."

Like the briefing book the administration issued to members of Congress a lew weeks ago, the Republican report is first and foremost a political deciment.

Titled "Worse Than the Disease? An Analysis of the Clinton Approach to Health Care," it asserts that requiring all employers to contribute to health instraints for that workers — a requirement that is expected to be a main part of the Chinton plan — is, "a Dr. Kevorkian plan for jobs," a reference to the Michigan doctor who assists in sucides.

[NYT]

**Away From Politics** 

Quote/Unquote Best-selling bumper sticker this summer at Kennebuskport, Mainer where George Bush has a summer hime. O.K., the joke is over Bring back Bush.

• Eleven letters written by Thomas Jefferson about farming between April 24, 1786; and Oct. 26, 1819, have been found in the files of the National Agriculture Library, the Agriculture Department said.

• Remeth Lakeberg said he spent as much as \$1,300 on a three-day cocaine and should binge just before his 7-week-old Stamese twin daughters underwent singery to be separated. Only one of the girls survived the operation. My hatness were whisked away here to Philadelphia, he said. I lost control of myself."

A jury in Minutespoils ordered the Christian Science Church to pay 59 million in stunitive damages over the death of a boy whose mother relied on prayer to treat his distress. It was the first such verdict-

Limited human testing of a potent influencement drug, abogaine, which is believed to help some become addicts overcome.

The

addictions, was recommended by a federal advisory panel. The committee advised the Food and Drug Administration to allow University of Mianti researchers to test the drug on up to 12

• Invoking a law from 1790, the Senera Plation of Indiana filed suit in U.S. District Court in Buffalo, New York, seeking return of the 27-square-mile (70-square-kilometer) Grand Island in the Niagara River. The suit claims that New York state's purchase of the Island in 1815 violated a 1790 law requiring federal approval for all Indian

• Law-enforcement officials are investigating two groups of New York City policemen who are suspected of running separate dang-trafficking operations in Brooklyn and Manhattan, senior federal and state investigators said.

• In a Los Angeles controom, Reginald Demy watched a viscotage of men kicking him and lutting him with a lammace, an oxygen tank and an object resembling a brick. Testifying for the first time about the attack in which he was beaten nearly to death at the start of the 1992 ricks, Mr. Denny, 37, said he recalled almost nothing about the beating.

Renew, AP, LAT, NTT

### **NASA Running Out of Hope** As Mars Observer Stays Silent

By John Noble Wilford New York Times Service

NEW YORK -- Another critical moment for the \$1 billion Mars Observer mission came and went in finstrating silence. When the lost spacecraft failed to instraing silence. When the lost spacetral trailed to call home, as instructed to do automatically if five days pass without receiving any message from Earth, the radio silence dashed one of the last remaining hopes that the mission might be salvaged.

At a press conference at the Jet Propulsion Laboratory in Pasadesia, California, Glenn F. Cumingham, the project manager, said, "This certainly erodes our prospects considerably."

prospects considerably."

NASA officials said they still had no choes to the

cause of the communications loss, which began Saturday night, and could not tell whether the spacecraft succeeded in orbiting Mars on Tuesday, as planned, whether it is flying off into space or whether it blew

Mr. Conningham said flight controllers intended to continue trying to restore communications with the craft. They plan to keep sending commands to readjust components in the radio system and to try to send new instructions to the craft's computers.

As far as controllers know, the craft has not received or acted upon any of their commands since the trouble began. That discussiones held out the hope that Mars Observer might have called home late Wednesday A command-loss timer in the central computer

system was designed to clock the time since the last message was received from ground controllers, in this case on Friday. If there is no message for five days, then the timer is supposed to make the radio call.

If that had happened, it would have meant that the spacecraft was still functioning to some degree and the trouble might be corrected. It would also have let controllers know where the craft was and what they

should do next to save the mission to map Mars and examine its surface geology and weather.

But around 5 P.M. eastern daylight time Wednesday, flight controllers waited anxiously and heard

Mr. Commingham said there was still a chance that the spacecraft had been receiving some commands, which would have the effect of resetting the timer at zero. At some point, controllers may cease all communication attempts for live days and then see if the

Military and scientific infrared telescopes at Hawaii night have been more helpful by detecting evidence of heat from the rocket exhaust from a scheduled maneu-ver on Tuesday, but officials reported that clouds over Hawaii had obscured the view.

Unless radio contact is restored Thursday, controllers for Mars Observer will have to give up their exclusive use of the deep-space tracking antennas in Australia, Spain and California, which have been devoted to trying to reach the phantom craft for five

■ Another Craft Is Missing

The Mars Observer spacecraft is not the only one out of touch with Earth. On Saturday, controllers lost contact with the latest federal weather satellite. NOAA-13, when the satellite's solar power cells failed,

The New York Times reported from Washington. Since then, the controllers have been trying to regain contact, but Patricia Viets, a spokeswoman at the National Oceanic and Atmospheric Administration, said Wednesday that "nobody is optimistic" about their chances.

The satellite was launched on Aug. 9 to replace one of two satellites orbiting Earth's poles to collect such environmental data as the rate of ozone depletion and sea surface temperatures for long-range weather



ROYALTY IN FLORIDA - Diana, Princess of Wales, and her son, Prince William, made a backstage visit to the Disney-MGM Studios at Walt Disney World, a theme park dedicated to films.

### Inquiry of Michael Jackson Said to Focus on at Least 4 Boys

Constled by Our Staff From Dispatches LOS ANGELES - Amid a growing international furor over allegations of sexual abuse by the pop star Michael Jackson, Los Angeles police are focusing on the entertainer's contact with at least

four boys, according to sources close to the investigation. "They are even interviewing friends of friends, to see if they were told anything," one source said, adding that the allegations were the first ever leveled against Mr. Jackson.

In Thailand, where he is on a world tour, Mr. Jackson canceled a according to one source. scheduled performance for the second consecutive day, because of what his doctor called "acute dehy-

Mr. Jackson did not appear in public, but at a press conference his aides played a tape recording on which he said: "My doctor advised me not to perform until August 27. part of the inquiry.

I promise my fans that I will see Although no charges have been you there at the performance to-filed against Mr. Jackson, the in-

morrow. I love you."

The investigation started in July, when the father of a 13-year-old boy took his son to a psychothera-pist to discuss the allegations regarding Mr. Jackson, according to police sources. The therapist immethe Los Angeles County Depart-ment of Children's Services,

Since then, investigators have developed information during wide-ranging interviews about at least three other potential victims,

Officers from the Los Angeles Police Department's Sexually Ex-ploited Child Unit are overseeing the police investigation. One source said that a respected investigator from the Department of Children's vacation to lead that department's

vestigation has stirred a flurry of international press coverage. London tabloids sent crews of journalists to Los Angeles to cover the story. Helicopters flew over Mr. Jackson's ranch in Los Olivos, Cal-ifornia, a hamlet in Santa Barbara diately reported the interview to County. The town was overrun with reporters seeking information

> Neither Mr. Jackson nor his lawyer, Howard Weitzman, were available for comment. But members of the Jackson family released a statement supporting the pop star.

"We wish to state our collective, unequivocal belief that Michael has been made victim of a cruel and obvious attempt to take advantage of his fame and success," said the statement, which was signed by 10 family members. "We know, as does the whole world, that he has dedicated his life to providing hap-

where."

gations on an extortion attempt that Mr. Jackson had rebulfed, Details of that alleged extortion, however, have not been reported to the ing, but not limited to, telephone police, according to officials in the communication with a third-party police unit that would be responsible for handling such an inquiry.

"Nobody's brought anything to us," said Captain William O. Gartland, head of the Major Crimes

The 13-year-old boy whose abuse allegations triggered the inquiry is at the center of a custody battle between his parents. At least part of that dispute resulted from his father's discomfort about his son's relationship with Mr. Jack-son, court files show.

The father persuaded the boy's mother to sign a stipulation on July 12 that, among other things, harred

piness for young people every- all contact between the boy and withdrew from it, saying she had Mr. Jackson. Uoder that agree-A private investigator who works ment, she gave up legal custody and to get her former husband to let her for the entertainer blamed the alie-was allowed to visit the boy only on see her son. the condition that he not have "any On Aug. 17, the judge voided the contact or communication in any form, directly or indirectly, includ-

> adult male known as Michael Jack-The stipulation was filed with a

only agreed to sign it in an attempt

stipulation and ordered the father to return the boy to his mother. A day later, the police began their investigation.

The boy's mother and father were divorced in 1985 after an 11-Los Angeles Superior Court judge year marriage. in July. Later. however, the mother (LAT, Reuters)

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### **Heart Cases and Race: Odds Better for Whites**

By David Brown

agram Past Service WASHINGTON - Blacks with heart disease in the United States are less likely to undergo elaborate diagnostic tests or surgery than whites and also have less chance of being successfully resuscitated if

they collapse from cardiac arrest. Those are the findings of two unrelated studies published Thursday in the New England Journal of Medicine, on the relationship between race and medical care.

The first study involved more than 400,000 black and white men treated at Veterans Affairs hospitals. The second looked at differcances in survival among black and white Chicagoans whom ambu-lance attendants tried to revive.

Several recent studies have shown that blacks tend to get less aggressive treatment, and often suffer higher mortality regardless of treatment, when compared with whites with similar physical complaints. It is not clear whether this reflects racial prejudice of practi-tioners, a difference in behavior or attitude between blacks and whites. a difference in the severity of disease between racial groups, or some combination of causes.

The VA medical system offers a good opportunity to examine racial differences. The hospitals are found nationwide, treatment does not depend on payment, the doc-tors have no financial incentives to alter treatment, and patients can be

tracked as they move from one VA

hospital to another.

Researchers, led by Dr. Jeff Whittle, a physician and epidemi-ologist at the VA medical center in Pittsburgh, studied the experience of 428,300 male veterans over the age of 30 diagnosed with cardiovascular disease or chest pain from 1987 through 1991.

To isolate race as much as possible, the researchers used statistical methods to "control" for other

The researchers found that a white patient had 1.38 times as much likelihood of undergoing car-diac catheterization as a black pa-tient. That procedure is necessary before considering bypass surgery.
Whites were 1.5 times more like-

ly to have angioplasty and 2,22 times as likely to have bypass surgery as blacks, the study found. Both those procedures attempt to restore normal blood flow to the

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### BRIDGE

A Nunfortunate combination of deprive two players from the New York metropolitan area of world ranking in the Epson World Pairs held on June 4. Julius Fields of Manhatun and Calvin Morris of oig score at a game in Rocatale
Village. The larger American Contract Bridge League treated the results as from an invitational game, and therefore ineligible for world honors. A reported score of 74 mercent was inaccurate. rected score of 76 percent, disconrected long after the official results.

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made them first in the world in the 

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One of their best scores was on the diagramed deal, with Morris sitting East and Fields West. North showed the minor suits with a two ho-trump bid following one spade.
South had to retreat to three dia the bid monds following East's double and West monds following East's double and West North East
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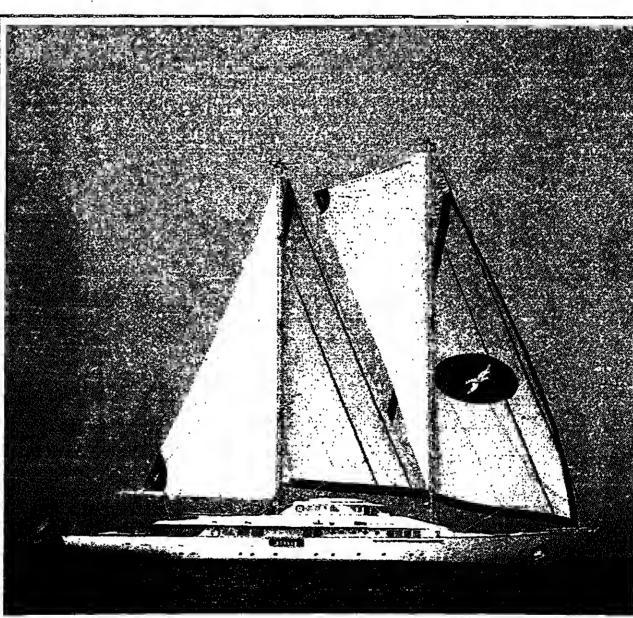
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ruff, and West scored his small trump and cashed the diamond

West persevered with the spade jack and South was limited to two spade tricks and three trump tricks, for a penalty of 800. That scored 93 for a penalty of 800. That scored 93 16, rue de la Paix, 75002 Paris predetermined match points out of 24, av. de l'Opera, 75001 Paris

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WASHINGTON — The high-technology trade sanctions imposed on China by the United States could be greatly expanded if U.S. intelligence agencies learn that the Chinese sold entire missiles to Pakistan, oot just components, according to a Washington official.

Reacting Thursday to the sanctions announcement, China described even the limited penalties as "entirely unjustifiable," and said the government was considering a response.

"The U.S. side, io total disregard of the Chinese side's clarifications, has made a wrong judgment on the basis of inaccurate intelligence and decided to impose sanctions against China under U.S. domestic law," the statement said. The trade restrictions announced Wednesday involve only U.S. sales of high technology

to China and do not affect China's profitable exports to the United States. According to the State Department, the area that will be hit hardest is space satellites. The United States had already barred sales of most

military-related high technology items to China after 1989 massacre of pro-democracy demonstrators in Beijing. The State Department spokesman, Michael McCurry, said the United States has been selling China \$400 million to \$500 million in hightechnology products each year and that these

imported \$7.5 billioo — giving China a surplus of \$18.2 billion. U.S. export-control laws required the government in impose the sanctions once it deter-mined that China had shipped components that would help Pakistan build M-11 missiles, whose technology was developed to China.

The missiles have a range of 500 kilometers (300 miles) and are powerful enough to earry nuclear warheads. To reach that conclusion, U.S. iotelligence agencies had to overcome major differences in evaluation. It is oot known what evidence, if

any, exists to indicate that China has provided Pakistan with fully assembled missiles. Ao international agreement prohibits the transfer of missiles — or their components — capable of ranges greater than 300 miles and a

payload capacity of 500 kilograms (1,100 Referring to the agreement, Wu Hanmin, spokesman of the Chinese Foreign Ministry. said: "China has never acted in violation of the principles or parameters of the Missile Techoology Cootrol Regime."

China has oot signed the treaty but has vowed to abide by its provisions.

Mr. Wu did oot answer directly when asked

as \$3 billion to \$4 billion of goods could be affected annually, including some Chinese exports, an official said.

whether China had sold entire M-11 surface-to-surface missiles or just the technology to Pakistan. He simply reiterated his previous statesurface missiles or just the technology to Paki-stan. He simply reiterated his previous state-Last year, China exported \$25.7 billion in goods and services to the United States, and it

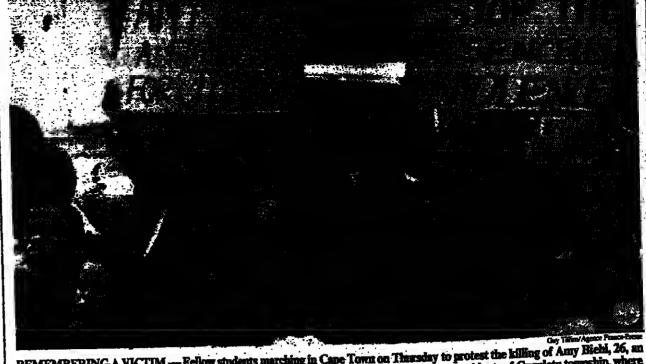
In contrast to China, Pakistan has admitted its part in the transaction, but protests that the missiles are short range, falling outside the scope of the controls. U.S. sanctions were also imposed on Paki-

stan, but because of a very small trade in high technology the effects will be slight. One official said he hoped China and Pakistan would soon start answering Washington's questions about the shipment of M-11 technol-

ogy. In that way, the official said, the sanctions the be lifted in less than two years. Experts on China called the sanctions moderately tough, since the administration could

have announced sanctions and then waived State Department officials indicated that they were seeking 2 "proportional" response, to effect barring all exports to the two organiza-tions in China responsible for the technology

sale in Pakistan — the Defense Ministry and the Ministry for Aerospace Industry. In the 1992 presidential campaign, Mr. Clinton vowed to take a tough stance toward China over human-rights violations. Nonetheless, he announced in May a one-year extension of China's most-favored-nation trading status, with any further extension linked to improvements in China's human-rights record.
(NYT, WP, AP, Reuters)



REMEMBERING A VICTIM — Fellow students marching in Cape Town on Thursday to protest the killing of Amy Biehl, 26, an American who had come to South Africa last year to help disadvantaged blacks. Two teenings residents of Guguletn township, where a mob attacked her Wednesday night, were arrested in the slaying. Miss Biehl was scheduled to return Friday to the United States.

### RIFT: Tense Relations Emerging Between U.S. and China on Key Issues

transactions would be the ones restricted.

Continued from Page 1

But should the trade sanctions be widened oo the basis of a new intelligence finding, as much

edged, "There's no question we have some

problems coming together at the same time.

Why is all this happening now?

To some extent, the confrontations are dictated by the calendar. Now is a good time for toe United States to be publicly challenging China on some of the unpleasant issues divid-

ing the two countries — and vice versa.

When President Clinton took office, he faced a June deadline for deciding whether to renew China's most-favored-nation trading privileges in this country, which permit Chinese goods to be sold in the United States at the same low-

tariff rates enjoyed by other countries.

The benefits are of enormous economic importance not only to China, but also to many U.S. companies that do business with China, And the Clintoo administration does oot want to harm these companies by cutting off China's benefits.

Throughout the spring, disputes between the United States and China were treated as minor, postponed or handled as quietly as possible. Any public light could have helped build up a

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constituency in Congress in favor of revoking China's tariff benefits.

These timing factors affected China, too. It had every reason to be conciliatory to the United States and to avoid doing or saying anything that could jeopardize renewal of its favored trade status

The Beijing government made several goodwill gestures, such as releasing dissidents, in June, Mr. Clinton granted China a one-year extension of the most-favored nation status. Now the wraps are off. There will oot be

another deadline for annual renewal until oext June, and the sort of disputes between the two countries that might well have been smoothed over last spring are oow being aired. "The Chinese are testing the new administra-

tion," said a former U.S. ambassador to China, James Lilley. "The Chinese aren't sure how far we are going to go with them." we are going to go with them.

"By now, they've gotten the message that MFN is a hullet which we put to the gun and oever fire," Mr. Lilley said. "So they're playing hardball on human rights."

Some U.S. analysts also believe that lingering

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hard-line elements in the Chinese leadership would welcome a good fight with the United States recause it might heip them in the internal

jockeying for power in China.

And, with China's 89-year-old paramount leader. Derg Xiaoping, in frail health and a struggle for political succession looming no one in the Chinese leadership wants to appear weak, particularly on issues that involve the military.

"Certainly, within the leadership in China, there's a jot of tension now," says Douglas Paal, who was director of Asian affairs for the National Security Council to the Bush administration. "There are people who feel the United States is sticking its nose in China's business."

He said some Chinese leaders "are looking for people or countries to blame" when China suffers setbacks such as a possible defeat in the quest for the Olympics. Some specialists believe China also views the

United States as a potential threat. "They're looking for ways to check U.S. power and influence," said Mr. Solomon, the

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### In a Precedent, U.S. Is Training Mandela Guards

Washington Post Service

WASHINGTON - The United States is training bodyguards for Nelson Mandela, president of the African National Congress, the first time such training has been provided for any nongovernmental

group.

Mr. Mandela is South Africa's most prominent black leader and a likely president in a postapartheid

Confirming a report in The Washington Times, a State Department spokesman, Michael McCurry, said that at the ANCa request the department "is providing security training for a small group of ANC officials who are responsible for the protection of Nelson Mandela and other ANC

### NIGERIA: Another Nonelected Government Goes In recent weeks by the military au-

Continued from Page 1 political opposition and even by some neutral analysts.

They cite as their main example his virtual silence and acquiescence in General Babangida's decision in June to annul Nigeria's first multi-party presidential elections in near-

ly a decade. By voiding the elections, General Bahangida plunged Nigeria into crisis, touching off civil unrest and the flight of tens of thousands of people back to their ancestral melands out of fear that the crisis could crupt into civil war.

In the meantime, a civil disobedience campaign continued for a second-day in Lagos and nearby Ibadan, the country's largest cities, and several other towns in Nigeria's southwest, a region dominated by the Yoruba ethnic group.

The leaders of the protests, many of whom have been detained in He defended his regime, which

thorities, say they want an elected civilian government.
Significantly, the 13-member

new interim government consists almost entirely of either close friends or longtime political allies of General Babangida, and will rule by military decree.

By any accounting, the body falls far short of General Babangida's oft-stated promise to transfer powon or before Ang. 27, the anniver-sary of the bloodless comp he led-against the previous military dictator in 1985.

A Farewell Speech

In a farewell speech late Thursday night, General Babangida said that "no one should deny the fact of the clear direction which we gave to our country," news agencies re-

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he insisted had laid the foundations for democracy and tried to rescue a sliding economy, "We cannot in all modesty claim total success," he added

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His successor, Mr. Shonekan, was formerly head of Nigeria's big-gest business conglomerate, the United African Co. of Nigeria, a 100-year-old company that sells building materials, rubber, palm oil and automobiles.

He has headed a transitional council handling day-to-day gov-ernment since January, but real power remained with the ruling military.

He comes from Abcokuta, which is also the hometown of Moshood Abiola, a businessman whose supporters say he was robbed of the presidency when General Bahan-gida annulled the June 12 vote. Mr. Abiola has been staying in London because of death threats,

(Reuters, AP)

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# Echoes of Intrigue In the Caucasus Rack Georgians

By Celestine Bohlen

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Even with the yearlong civil war having personally relayed to Presing Abkhazia muffled by a cease dant Boris N. Veltan their confire volence continues to towners?

past armed security gnards.

Even with the yearlong civil war in Abkhazia mulfiled by a cease-fire, violence continues to terment. Georgia, a country of 5.5 million deep in the Caucasus. Two weeks ago, a U.S. diplomat identified as a CIA operative was shot and killed ghway in what local officials believe was a random shooting

Last week a German woman, a In I bilisi and a companion were. The slaying on Ang. 8 of Fred stopped at gumpoint by masked Woodruff, in American on tempomen in western Georgia, nobled of rary duty at the embassy here, has their money, jewelry and car and helped feed some of the more elablet by the roadside.

Bandits have also and decrease the clock secretary at her country's embassy in Thilisi and a companion were

Bandits have always been part of the lore of the Cancasus, a region described in Russian Interature as steeped in romance and cruelty. Its: dramatic mountains and valleys are inhabited by dozens of tribes and clans that over the centuries have nounced that a 21-year-old soldier been subdued, sometimes only had confessed to shooting at the barely, by succeeding empires had confessed to shooting at the barely, by succeeding empires had confessed to shooting at the leep when it did not stop to give him a ride.

Russian.

"Read Tolstoy," a Westerner problems that confront Mr. Shevardnadze. Another is trying to been this fierce but fragile country.

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) at the turn of the century. ... o'...

the new nations on Rassia's periphery, some Western governments,

helped bring badly needed aid to Georgia, said in an interview last week that the Chuton administra-

"I think the new administration by the lart, is now worth one sixth has a more realistic picture, and, of a ruble or less. At this rate, the f sees the important role the Canca average salary is less than \$3 a sus can play for peace in the month and as prices of everything world," he said, "They also realize from electricity to fruit rise sharply, that if the Caucasus are not peace—people are panicking about how ful, many countries might get in they will survive next winter.

IBILISI, Georgia — The sound It is virtually an article of faith in one of gunfire is so frequent in one Georgian politics these days that Tbilisi neighborhood that its residents now call it "Chicago."

Mindful of audiences that long of Abbhazat is a way of keepingago stopped going ont after dark. Georgia weak and its own strategic the city's theaters and concert halls now schedule performances.

cems about Russia's activities in

Since then, Russia, Georgia and khazia have agreed to a new cease-fire that, for the first time, includes a role for United Nations observers on the territory of the former Soviet

about the U.S. role in the Cancasas Mr. Woodruff was shot while ridmg in the back seat of a jeep driven by President Shevardnadze's secu-

served as a young officer in the keep this fierce but fragile country
Cancasus and wrote about it together when its various regional
Tbilish has been buzzing with and other claus are either in out-

talk about a new "Great Game" ingut renemon or open degrance or developing in the Caricasas, a replay of the old British-Russian invalvy that dominated Central Asia: control is really nothing, said a western observer who, like many This time, the theory runs, the others in Tedisi, fear that without West, wary of Russian ambitions in Mr. Shevardnadze, Georgia might

the region, has begun to strengthen fall spart—
its presence in this mysterious and in fact, the president recently volatile region with a max of high—succeeded in cleaning away some of level diplomacy and old-fashioned the obstacles to Georgian unity. He espionage. spionage.

By focusing more attention on erful military commanders who had flagrantly challenged his authouty ever since he returned to this divided country from Moscow

particularly the United States and Commany, have been sending Most cow the message that it cannot need the former Soviet republics as its own backyard.

President Edward A. Sheyard nadze, the former Soviet foreign minister whose personal velationships with Western leaders have helped bring badly needed aid to Georgia, said in an interview last old-fashioned vendettas. old-fashioned vendettas.

tion had shown a new appreciation. This the coorginal economy is in the for the subtle relationships in a par with the Russian ruble as a volved in the Caucasus.

The Georgia coordinate content is the Caucasus and a part with the Russian ruble as a volved in the Caucasus. precursor to Georgia's new curren-



HOME AGAIN — Former Queen Ionna of Bulgaria arriving in Sofia on Wednesday for her first visit in 47 years. She and her son, Simeon, fled the country after the Communists seized power. She planned to mark the 50th anniversary of the mysterious death of King Boris III and to attend a reburial of the heart found in his grave years after the secret police destroyed the body.

### Bonn Tries to Fire Up Engine Radical Overhaul Aims to Bolster Economy

وي اون الرَّ على

BONN - The federal government will call for a radical overhaul of Germany's economic, welfare and education systems in a report expected to win cabinet approval next week.

The report, "Securing Germauy's Future as an Economic Locating taxes and bureaucracy to reducing the time young people spend in school.

The report says that after more than 40 years of steadily increasing prosperity, Western Germans have become set in their ways, frightened of change and suspicious of new technology.

"A tendency toward immobility and to cling to what has been achieved is spreading," the report

Essentially a political statement, the government hopes it will stimu-late debate over what is wrong with the country as well as setting down on record a basis of government policy in the campaign leading up

to a general election next year. It outlines practical measures to change taxes and health care, which would require legislation, and urges a return to hard work store German competitiveness on

"Virtues were, and are, not the least of the qualities which made Germany one of the leading indus-

trial countries," said the draft re- by the Bonn government on tax

nomics Minister Günter Rexrodt. "Therefore we need to restore our consciousness of virtues such as a sense of responsibility, humanity and compassion, reliability, loyalty, punctuality and a willingness to make decisions and to get in-

The report, which bears the strong imprint of its author's freemarket views, might be amended to iron out disagreements among vari-ous government ministries before it production centers. goes before the cabinet for approv-

al on Sept. 2. It combines promises of action

### 3 Russian Navy Ships Dock in China for Visit

BEIJING - Three vessels from the Russian Pacific fleet have new plants. docked in China in the first Russian naval visit there since 1956, Xinhua press agency reported. official visit, the report said. The shortened. last Russian Navy delegation to Germans, whose current average

port, which was prepared by Eco- and bureaucracy with exhortations to business, unions and local gov-

Most of it deals with the economy and with developments such as high wage costs and inflexible

working practices.

Other countries have caught up with Germany in terms of the quality of their high-technology goods, while lower taxes and wage costs often make them more attractive

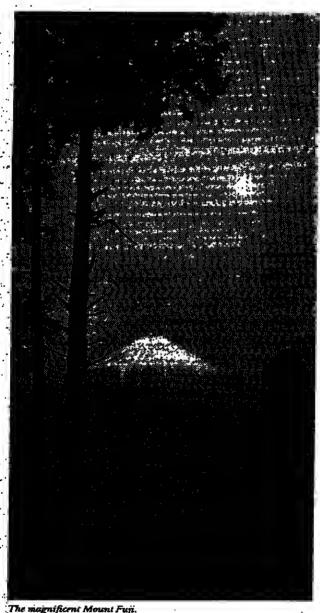
The report urges Germans to rely more on their own drive and initiative and less on the state, which should concentrate on its core

functions and give freer rein to private enterprise. On a practical level, the report includes pledges for more cuts in Germany's high corporate taxes and a reduction of bureaucracy that often delays for several years

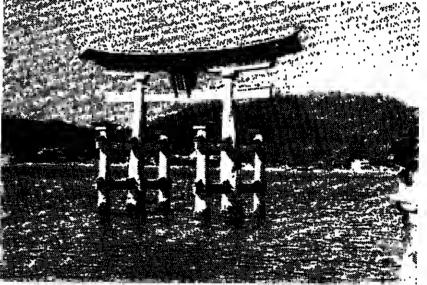
permission for companies to build Reflecting Chancellor Helmut Kohl's long-standing complaint that Germans start work too late An anti-submarine vessel, a de-stroyer and a fleet oiler with a total says children should spend 12 years crew of 738 sailors are in the east- at school instead of the present 13 ern port of Qingdao for a five-day and university courses should be

visit China docked in Shanghai in retirement age is 59, should be en-May 1956, representing the Soviet couraged to go on working after

### Fly JAL and earn a free trip to Japan. (It's a beautiful place when you're not inside an office.)







The famous torii gate, entrance to Miyajima Shrine Island.



The graceful arches of the Kintai-kyo Bridge near heakuni City.

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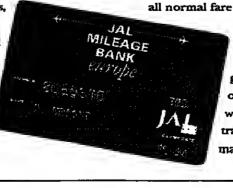
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### **Moscow Decides** Priam's Treasure Can Come to Light

MOSCOW — The Treasure of Priam, king of Troy, which was stolen from Berlin in 1945 as war booty, will go on display for the first time in half a century, museum officials said Thursday.

The treasure — jewelry, gold cups and other artifacts — was discovered in 1873 in the ruins of the ancient city in Turkey by an amateur German archaeologist, Heinrich Schliemann, who donated it to a Berlin misseum.

it to a Berlin museum.

The Trojan cache was hidden in a bunker in Berlin during the war.

After the fall of Berlin to Soviet troops in 1945, the treasure was

shipped to Russia, which is concently involved in a legal dispute with Germany over possession of the finds. Russian officials admitted informally only earlier this year that they had the treasure and that it was stored in a museum depot on the

A sudden order from Culture Minister Yevgeny Y. Sidorov last week to prepare the collection for display astounded the staff of the Pushkin Museum of Fine Arts. "We had never even heard that the Schliemann collection was in Russia, and the news stanned us," said Lyudmila Akimova, an expert in the museum's ancient art depart-

Ment.

Mr. Sidorov, quoted in an article in the weekly Literaturnaya

Gazeta, said that 'in all fairness, the first exhibition must take place
in Russia and then go to Greece, Turkey and other countries."

But in Athens, Culture Minister Dora Bakoyannis said President
Buris N. Yeltsin had offered during a visit in early July to let Greece

had the Secretaristics. hold the first exhibition.

"The Greek government accepted with great joy," she said at a news conference. She said the exhibition could be held in Athens in

the newly renovated house of Mr. Schliemann.

The archaeologist was guided in his search for Troy by "The Iliad," the Greek epic poem by Homer describing a war between Trojans and a Greek force in about 1300 B.C. The treasure is believed to be 1300 years older than the period described by Homer

The treasure, said to number over 12,000 items, many of them gold, was acclaimed at one of archaeology's greatest finds at the time, and its disappearance from Berfin during World War II became one of the war's greatest mysteries.

For decades, Soviets authorities denied any knowledge of the treasure.

"The objects were kept under a regime of strict security, and only one person, the curator, had bicess," Irina Antonova, director of Moscow's Pushkin Museum, told Nezavisimaya Gazeta.

Since the end of last year, delicate negotiations have been conducted by Moscow and Bonn over the return of cultural treasures.

Germany is demanding the return of some 500,000 art objects, and
Russia. Ukraine and other former Soviet republics are claiming back
hundreds of thousands of paintings and collections.

In Ankara, the head of the Turkish Culture Ministry's uniscums department, Engin Ozgen, said Turkey would pursue legal means

We claim ownership to the Troy treasure. he said. 'It's display in Athens or return to Germany is unacceptable." (4P, Reuters)

### **Steering Back to Balance**

Once again the American economy is the locomotive pulling the rest of the world out of crudely and ruthlessly forcing Japan's surplus the trough, upward toward steady growth. The U.S. trade deficit is widening again, rapidly. The enormous \$12 billion deficit in June, announced a few days ago, is almost half again as large as the average during the past year.

This sudden increase does not mean that American competitiveness is collapsing or that American trade policy is failing, ft means that the economy is expanding faster in America than abroad - especially in Europe, which continues to slide into deeper recession. Imports are rising as business in America picks up, but there is no corresponding lift in exports to Europe or Japan.

One result is Japan's soaring trade surplus, which, along with the corresponding Ameri-can trade deficit, is a source of dangerous instability. The Japanese are desperately trying to stave off a currency crisis that the growth of their surplus has created. A country can run a surplus only as long as it is canable of exporting the capital, in foreign loans and investments, to finance it. The extremely rapid risc of the surplus during the past several years is straining Japan's ability to provide that financing, leading to a shortage of yen.

Is the rise of the yen's exchange rate a triumph for Japan and a humiliation for Amer-

exports more expensive and its imports cheaper. That can be good for American jobs. Unless it goes too far and too fast. It was in

back to manageable proportions by making its

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some peni of doing that last week -- shooting so high that lapanese exports would be unsal-able and companies would begin to fail. The U.S. Treasury stepped in last Thursday to put on the brakes by buying dollars and setting yen. It feared, according to the official statement, that the rise of the yen "could retard growth in the Japanese and world economics." ies." Indeed it could.

These events illustrate three truths about the world of the 1990s. First, the prosperity and development of each of the great indus-trial powers is strongly influenced by conditions in the others. Second, the international system is not self-regulating; it requires skillful management and leadership. Third, only

the United States is capable at present of providing that teadership. The American standard of living in this decade will reflect the Clinton administration's ability to steer a world economy that was put far out of balance by the errors and

excesses of the 1980s. - THE WASHINGTON POST.

### Russia's Dangerous Game

bargaining purposes when it revoked its pro-mise to pull all remaining troops out of Lithuania this month. But if that was merely a tactical move, it was a dangerous one. It breaks a formal agreement between the two countries. Since there are only 2,500 Russian troops

left in Lithuania, this violation has chiefly symbolic importance. Russia's neighbors inevitably wonder whether it is intended to signal a more aggressive posture in Moscow toward the smaller states that were once part of the Soviet Union, The United States has reminded the Russians that all but humanitarian aid from America will be cut off, by law. unless their troops are out of all three Baltie countries by early October.

Current negotiations between Lithuania and Russia are not easy, and no doubt that is unavoidable. The Lithuanians regard Russia as the successor of the Soviet Union and are demanding reparations for a half-century of illegal Soviet occupation. The Russians reply that they suffered as much as any from Soviet rule and bear no responsibility for Soviet misdeeds. It was this quarrel over reparations that led to the Russian reversal on the troops. Behind this specific issue lie, on one side, all the anxienes of a small and recently independent

Perhaps Russia was only striking a pose for country dealing with a much larger one, and on the other side the complicated attitudes of a people who have abandoned an empire.

While friction is a fact of life, Russia's friends expect it to uphold its international agreements. The turnaround on the troops in Lithuania was the second event this summer that has jeopardized the flow of foreign aid to Russia. The first was the central bank's strange decision, subsequently softened but not withdrawn, to invalidate all currency printed before this year. That broke a commitment to the Russian people and did severe damage to the economic reforms that much of

the aid is designed to support.

In the first half of this year, President Bill Clinton made a sustained effort to organize adequate aid from America, and from the other rich democracies, to Russia and the other former Soviet states. Early next month. immediately after Labor Day, the Senate Foreign Relations Committee will hold hearings. The case for helping Russia is still strong in principle, but it is time to take stock of what is actually happening. The bearings will provide an opportunity to examine in public the impact of this aid and the

- THE WASHINGTON POST.

### Leave Us Our Imprecision

Some time a little before g this past Monday morning — was it Aug. 22 or 23? It was the 23d — while waiting for a pot of coffee to boil, we unfolded The Times and found an intriguing article oear the bottom of the front page. "Yardsticks Almost Vanish as Science Seeks Precision," said the smallish headline (1HT, Aug. 24). The story. by Malcolm W. Browne, explained that due to the scientific community's ever-growing need for precise standards, nearly all the measurements that affect daily life are being redefined in the language of quantum mechanics.

Where a meter used to be fixed as one-10-millionth of the distance from one of the Earth's poles to the Equator, it is now measured as the distance that light travels in one-299.792,458th of a second. Where a second was once one-60th of a minute, it is now clocked as the time it takes a microwave-excited cesium atom to vibrate 9.192,631,770 times.

Even the boiling point of water has been recalibrated; after correcting the centigrade scale in 1990 to reflect a more precise measurement of molecular motion, water is said to boil not at a near 100 degrees centigrade, but 99.97. Reading this - with the radio in the back-

ground announcing that "commuters from New Jersey can expect 10- to 15-minute delays at the Lincoln Tunnel," and that "temperatures should be in the low- to mid-80s this afternoon" - we began to think about the relationship between science and so-called

real life. It is not that we have a quarrel with science; it is something smaller, more on the order of a romantic quibble.

Where science deals in parsecs, motes and muons, the rest of us are just trying to figure out the true definitions of large, X-tra large and low-calorie. Where science measures things in light years and vibrating atoms, most lives run more to seasons, school years and "go half a mile and make a left at the second traffic light."

It is almost as if there were two universes running on opposite scales. Where science seeks to quantify and order, real lives remain as messy and imprecise as ever. 'You're going to be late," a voice called

from the next room. "Be there in a minute." we replied, slowly

opening another section of the paper and pouring a second cup of coffee. It is fine to give science its quest for preci-

sion: for the rest of us, it remains enough to know that watched pots really do boil more slowly, that it is still possible to fall in love in a heartbeat, and that not all "New York minutes" pass quickly. Speaking of minutes, if the scientific com-

munity wanted to come up with a truly useful measurement and really do everyone a favor. it could define - once and for all - the precise, absolutely correct moment to arrive "dinner at eight."

-THE NEW YORK TIMES.

### Other Comment

### **Electoral Farce in Africa**

Just a couple of years ago, a wind of democratic reform in Africa seemed to blow away the clouds of dictatorship. But the statistics today are hardly encouraging. Many loudly trumpeted "democratic transitions" have turned into masquerades. The regime in power engages in a minimum of electoral genuflection in order to keep foreign subsidies, while juggling the results enough to stay in power, the only goal of the operation.

The latest farce is unfolding in Togo, where representatives of France are acting with caution while Jimmy Carter, who has become something of a world expert in such matters, refuses to participate in this dirty trick. Africa

may be getting off to a bad start, but France doesn't seem to notice. - Liberation (Paris).

### When Others Command

While the Clinton administration has announced that the United States will expand its role in UN peacekeeping efforts. Congress has begun to stir from its torpor on the subject. and may actually ask some questions when it reconvenes. That would be welcome.

Americans do not necessarily oppose putting American soldiers in harm's way; but they are clearly uneasy about conceding command to foreign or UN direction -especially if the mission is ill-defined.

- Providence (Rhode Island) Sunday Journal.



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Tel.:11) 46:37:93:00. Fax: Carculation, 46:37:06:51: Advertising, 36:37:52:12.

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S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Partiaire No. 61337

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### Revive Observance of Humanitarian Law

GENEVA — When the Cold War finally came to an end, many of us believed that this was the 20th cammy's best moment for constructing a durable world peace. The United Nations would at least be able to implement its mandate, based on universally recognized values laid down in international law.

Disputes, rather than being fought out in trenches or in the air, would be referred to the World Court. Armed force would be deployed only to enforce the decisions of the UN Security Council National armed forces would be progressively reduced to the minimum necessary for assuring internal order.

I have not given up hope that such a state of affairs is realizable. Despite all the setbacks, many important steps have been taken in the last

The practice of war has undergone a change for the worse.

three years to strengthen the authority of both the Security Council and international law and to build up the peacekeeping and peace-enforcing powers of the United Nations. Nevertheless, it is impossible from my vantage point not to be all but overwheimed by the

carnage that has been unleashed in various cor-

ners of the globe in recent years.

I respect the findings of the Stockholm International Peace Institute, which reports that the number of major conflagrations has decreased year by year in the last five years. Yet while accepting this welcome oews I am struck by a degree of savagery unleashed that neither I nor my colleagues in the field have witnessed before. Perhaps it is because both we and the media

have more access to the eye of the storm than previous generations had. That is part of it. But we are also convinced that the practice of war has undergone a change for the worse. Civilian populations are becoming with ever greater frequency the bostages of warlords and the pri-

By Cornelio Sommaruga The writer is president of the International Committee of the Red Cross.

mary target of their opponents. We also observe a marked increase in sexual violence, directed in particular against women and children.

In too many places, as the clamps of the Cold War era have been removed, authority, for all its failings a stabilizing force, has been replaced by anarchy. The control of weapons is no longer in responsible hands. Instead we see very sophisti-cated weapons being deployed by people who are often no more than clan leaders, factional figures or upstart warlords whose only claim to the charisms of leadership is the nublessness with

which they wield the gun.
At least at the time of the Vietnam War we knew who was saying "no" to us. Now there is often nobody who can make a firm decision, and a 'yes" can become a "no" in the flick of an eyelash. A promise for the safe passage of our relief work-ers is broken with haphazard regularity. Our emblem is ignored, mocked and shot at. We have lost 15 of our field staff in the last year alone.

It is for these reasons that we asked the Swiss government, as depositary of the Geneva conventions, to call the International Conference for the Protection of War Victims, to be held starting on Monday in Geneva.

Every member country of the United Nations bas been invited, together with observers ranging from the UN secretary-general's office to the Federal Republic of Yugoslavia to the PLO to Amnesty International

Our aim is nothing less than resuscitation of the observance of international humanitarian law. The International Committee of the Red Cross, the initiator of the Geneva conventions, has been charged by those members of the world community who are signatories with monitoring the application of its articles. We intend at this conference to discharge this obligation with a

— in particular those influential members of the Security Council, the United States, France and Britain, which have not yet ratified the additional Protocols I and II adopted in 1977, widening the Geneva conventions to further protect civilians

to do so speedily.
In particular, we are asking participants to make a public commitment to end the massacre of civilians, summary executions, systematic torture of detamees, inhuman conditions of detention, the starvation or forced displacement of populations, indiscriminate use of arms, the of personnel working under the emblems of the

This means all countries and all peoples tak-ing seriously the Geneva conventions and the additional protocols, which means incorporat-ing their obligations into military instruction

and school curricula.

It means punishing war criminals and restricting the arms trade from which so much money is made at the expense of the control of war. It also means resolving to separate more clear-ly humanitarian aid from other political and

nilitary goals, including peacekeeping.
It means tightening the international restrictions on the use of those conventional weapons that cause excessive damage to life and limb. Finally, it means recognizing the competence of the International Fact-Finding Commission, established in principle in 1977 but not deployed as foreseen to investigate allegations of violations of the Geneva conventions and the

additional protocols.

International humanitarian law exists to help save mankind from the scourge of war. All of us, wherever we are, need it to work as intended. Negligence, ignorance and bestiality are its enemies. In Geneva, as the shadow of war lies once again across mankind's path to progress, we must resolve to treat this profound body of law

International Herald Tribune.

### The United Nations Is No Better Than Its Members

B INI CALAF, Minorca, Spain — When the United Nations was set up in San Francisco in 1945, the founders' paramount concern was to avoid repeating the fatal flaws of the League of Nations, launched with noble ideals after World War I and with not a whit of power to carry them out. Hence the separation of function between the Security Council and the General Assembly, majority voting instead of the league's rule of una-nimity, and the veto in the council recognizing the reality of power. All states are not created equal. Still, for

a long time. UN effectiveness was largely frustrated by the Cold War. Recently, Secretary-General Butros Butros Ghali rightly pointed out that new possibilities, and new re-sponsibilities, exist at last (IHT, Aug. 211. But he complains that states are balking at letting him run the show after they vote him the tasks of "coordinating" pegotiations, aid, peacekeeping and the timing of approved military action. gangs. That necessity was perfectly "Multilateralism," the specialty of

the UN system, is undermined, he says, by "the upsurge of two kinds of ugly nationalism: ultranationalism and micronationalism." Certainly there is plenty to complain about but oo sign at all that more deference to the secretary-general's views would improve anything.
He is shifting blame, just as gor

ernments that do not want to risk effective action shift blame by pro-nouncing, "Let the UN do it." Everybody can see that current op-

erations, particularly in Bosnia and Somalia, are a mess. True, as Mr. Butros Ghali says, they are much more ambitious than what the United Nations attempted before.



'I'm warning you Serbs for the last time!'

Brazilian gold miners may not com-

pare with the body counts of a half-

dozen other conflicts in the world.

but the norror of the event demands

The 70 victims, members of one

of the least assimilated indigenous

societies of the Amazon region.

were shall backed to pieces and

burned in a remote forest near the

the Yancmani by gold miners who have been invading the territory since 1987. Local politicians and

The military's overt

hostility has helped

weaken governmental

business leaders had encouraged

the invasion of the Yanomami re-

serve, and the massaure was the

would not recognize these bound-

resolve to defend the

l'anomami reserve.

It was only the latest attack on

ac international outery.

Venezuelan border.

By Flora Lewis In Somalia, the UN seeks to recreate a state that has crumbled out of existence, replaced by bandit

foreseeable. But there was neither planning nor explanation, which at least took place in Cambodia. So Senator Robert Byrd has a point in noting (IHT, Aug. 21) that neither Congress nor American public opinion amhorized the use of U.S. troops for this purpose when President George Bush's Operation Re-

store Hope was launched.

f think the West Virginia senator is wrong in arguing that humanitanian aid is fine but that the United States, should not be helping prevent a re-lapse into conditions that made aid urgent, and that would perpetuate the need, just because the United Nations so resolved. I think he is right in putting it up to the Clinton administra-tion to build support for a mission that its predecessor pretended would not be Washington's concern.

Mr. Byrd's insistence on clear and

Butros Ghali is aiming at when he decries "ultranationalism." He calls it nostalgia "for the years when one or a few big powers called all the shots," and a desire to see the United Nations "return to the relatively marginal role it played in years past."

None of all this gets to the point just as none of the twittering about Bosnia drowns out the gunfire, massacre and human agony. Endless meetings, communiques, big headlines examine exactly how many Serbian soldiers remain on Mount Igman above Sarajevo, whether or not Sarajevo remains under siege il artillary lire is held for a few days but

prior American decision in undertaking UN action seems to be what Mr.

people and goods still cannot move freely in and out. This is trivia, cover

earth is this nonsense about the Unit-ed Nations "administering" Sarajevo for two years, along with an assortment of termous corridors and byways which can only assure that it remains a trap?
What does Mr. Butros Ghali think will be left to "coordinate"? At least: big powers do exercise the will to get to or to get out of harm's way. His complaint should be not that they do not rely enough on the United Na-

It now seems that all the weeks of

noise about possible NATO air

strikes if the siege were not lifted was

just another way of using words to mask no deeds. Whose fault, that of the United Nations or of the NATO

governments? They mumble and shiftle, drop the subject, and move on to ever more surrealistic proposals in the name of both recognizing and

in the name of both recognizing and controverting "battlefield realism." Given the undeniable failure to im-

pose any political settlement, what on

tions, but that they rely on it pri ly for dithering. That may salve conscience, but it solves nothing.

As for micronationalism, of course it is a menace to any hope for an orderly world, and every "ethnic or tribal faction" cannot expect what the secretary-general calls "the privi-

leges of a sovereign nation-state" by riolent secession from the state of which it forms a part. But the remoty is not his aim of preserving "the nation-state as the very foundation of international life." It is accepting the duty to estab-lish, and impose by force if necessary, rules for political settlement and minority protection that do not reward

violence as the means to national goals, indeed, that punish its use. The UN can only do what its members want. If they want this kind of world, they can get it. If they don't,

they won't. The secretary general's role is to remind them of that. O Flora Lewis.

### GIs in Blue Helmets: Questions Remain

T HE CLINTON administration is conducting a fundamental policy review with an eye to placing U.S. troops under foreign command as part of UN-authorized military operations. While there is said to be cautious support in the Defense and State departments for the change, dissent from

policies of the weak government of President Itamar Franco. In a visit to the United States in

May, the Yanomami leader, Davi Kopenaua, asked members of Con-

gress and Interior Secretary Brazilian Babbitt to pressure the Brazilian

government to stop tacit support of

the invasions of his people's re-

serve. He warned that the inevitable

result would be violent conflict be-

tween miners and the Yanomami. His prediction has come true more

quickly and terribly than he foresaw.

must now press Brazil to reverse its

increasingly hostile attitude toward

the indigenous people and to ea-

force its laws guaranteeing the in-violability of the reserves.

The Brazilian government has to carry out its promise to demarcate and legally confirm indigenous areas as yet unrecognized. And it

The U.S. and other governments

s and Interior Secretary Bruce

Congress has been swift. Senator Malcolm Wallop of Wyoming calls the idea "nutty." A number of his more restrained colleagues urge that Con-gress be consulted before any deci-sions are made. That should be done. U.S. troops already are serving un-

der overall foreign command in several UN operations. And U.S. troops have, of course, served under foreign commanders in both world ways. But in each of those instances the United States was closely involved in alli-ances with countries — France and Britain — that had similar political values and objectives.

But the much greater diversity of the UN and still unanswered ques-tions about how a UN command structure would function make these experiences largely irrelevant.
The fact remains that it is a primary

U.S. national interest to have a stable world where aggression is discour-aged. Working for stability cannot effectively be a unitateral undertaking. - The Los Angeles Times.

### **R&D** Battle: The Trend **Favors Asia**

By Daniel S. Greenberg

WASHINGTON — Asia is plunging into science and engineering with resources and enthusiasm that portend even fiercer battles for world markets in the post-Cold ...

War era of global competition.

That is the message in a newly issued American complation of com-

plex statistics on trends in technical education and research spending in China, India, Japan, Singapore, South Kores and Taiwan. Among the six, Japan is well known for its heavily financed drive toward leadership status in research and development. Not so well known is that the other countries have made big strides tocommes have made org smeet to-ward virtuosity in science and tech-nology, particularly in fields that un-derpin important export industries, such as consumer electronics, phar-macenticals and industrial chemicals.

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The report, prepared by the National Science Foundation, shows that the six commiss are heavily camplasizing scientific and technical educations for their brightest young people. Facilities and enrollments have been expanded at home, but there is also heavy reliance on American universities, with their worldwide reputation for excellence in science and engineering.

The educational aspirations of the Asian countries are providing sorely needed income for American schools at a time when these schools face increasingly fierce competition for tight federal research funds and a decline in science and technology

studies among American students.

Noting that Asia leads all other regions of the world in sending students to universities in the United States, the NSF report says Asian enrollments at all levels of U.S. higher education rose from 20,000 in 1985 to 200,000 in 1990. That is a tiny slice of the total enrollment of 12 million. But at the graduate levels of science and engineering studies, foreign students, particularly Asians, account for a substantial percentage of enroll-

ments, and they are concentrated in science and engineering.

More than 90 percent of the students sent to America by Taiwan and India are enrolled in those fields. More than half the Ph.D.s awarded in the United States in engineering and mathematics are to foreign students,

with Asians predominating. Academe and industry in the United States have long benefited from many foreign graduates preference for taking jobs in America, but the report notes changes in that pattern as the Asian countries expand their spending on research and develop-ment. The total among the six reached \$91 billion in 1987, the National Science Foundation estimates

-an amount about 25 percent below the U.S. sum for that year. Moreover, Asia's spending on research and development is spread among combined populations that dwarf America's. By any measure, American R&D activity remains far

ahead of all of them put together. Over the long run, however, it is the trends that count, and on this basis the Asian performance is extraordinarily, robust, while American research spending is showing signs of decline. Many major American high-tech companies are shedding scientists and ensincers to increase the appearance of profitability, while many Asian comnies are on a buildup spree and are beckening to their American-trained specialists to come home.

The industrial strategies in the six countries vary. But, according to the report, there is a common thread in their attempts to step up from lowcost productions to home-based de-sign capability for "knowledge-based sovative products and processes." The buildup is often accompanied by increased imports of advanced equip-ment from the United States, thus masking the long-range prospects of intensified competition.

Growing strength in science and engineering in low-wage countries poses a serious eronomic dilemma for the United States, as well as for Japan. In the past, the poor countries of Asia had to rely on Western or Japanese technical skills. But they are increasingly self-sufficient.
The Clinton administration says

that a better-trained work force is a key part of the answer to America's competitive problems. Unfortunately thousands of highly trained technicians and other professionals are being declared unnecessary by leading U.S. firms. This is a case where science and technology are bound to produce hav-oc in the American economy — and politics has yet to produce a remedy.

The writer, a specialist in the politics of science and health, contributed its comment to The Washington Post

### IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1893: All in the Family

PARIS - Prince Duong-Chaer, PARIS — Prince Duong-Chaer, third son of King Norodom of Cam-bodia, was yesterday [Ang. 26] com-pelled noleur volens to leave Paris for Algeria. The Prince raised a revolt against his father and the French authorities in 1885, was pardoned, but rebelled again in 1891 and then escaped to Marseille with his wife. He had boped to live on the allowance usually made by King Norodom to his children, but his Cambodom to as canorea, our as canno-dian Majesty, on being consulted, declined to allow him a halfpenny, and further expressed his astonish-ment at the reception which had been accorded in France to the rebel son who had tried to murder him.

1918: Wilson for Women WASHINGTON - President Wilson has not ceased his efforts to obtain recruits to the woman suffrage cause among Senators, and is appurently hopeful that enough votes can

be obtained to pass the measure some after the Senate convenes.

### 1943: 5 Million Are Gone PARIS - From our New York edi-

tion. On the eye of an unprecedented five-day American Jewish Conference opening here Sunday to consider the plight of European Jewry, the American Jewish Congress vesterday, [Ang. 27] issued a 310-page report detailing the shrinkage of the Jewish population in Axis territories from a local control of the Jewish population in Axis territories from the local control of the loca 8.300,000 to a little more than . 3.300,000. Of the 5,000,000 who have disappeared from countries under Nazi domination, the report says, 3,630,000 have perished since the war began four years ago, 1,800,000 have been evacuated into the interior of the Soviet Union and about 180,000 have emigrated. The report documents in harrowing detail the extermination of the 3,000,000 who have perished and the living death of the 1,300,000 still existing in Nazi ghet-10 and concentration camps.

This is in defiance of a two-yearold law assablishing the boundaries of the Indians' territory. It is illegai for anyone but indigenous peo-ple to cross the borders without anthorization. But Governor Ottomar de Sousa Pinto of the territory of Roraima, where the massacre occurred, has declared that he

direct result.

By Terence Turner

Defend Indigenous Rights in Brazil

I THACA, New York — The death toll in the mid-August massacre of Yanomami Indians by aries, and the efforts of the federal police to keep the miners out have been at best halfhearted. The invasions have had strong

support from within the national government Officials have been calling with increasing boldness for a revocation of the Indians' rights and for an opening of the lands to unrestrained development by miners, loggers and ranchers. The Yanomami, like other Bra-

zilian Indians, are not citizens but wards of the state" and receive special protections. There is widespread backing among the Brazilian press and pub-

lic for repeal of the constitutional

protections of the Yanomami and other Indians at a constitutional convention that starts on Oct. 5. A particularly disturbing feature of this campaign is the prominent role of the military. Many senior officers appear to view domestic and foreign efforts to protect the ecology and indigenous peoples of the Amazon region as a threat to national security. They see self-de-

threat to Brazilian sovereignty.

Because their reserve is on an international border, the Yanomami are singled out as particularly dangerous. The military's overt hostility has helped weaken the government's resolve to defend the апотати гезегуе. This combination of forces has

gained increasing influence over the

gun to reverse the tide of public opinion that had been turning

termination by indigenous oations like the Yanomami as a potential The writer, professor of anthropology at the University of Chicago, is a

member of the human rights commis-sion of the American Anthropological Association. He contributed this comment to The New York Times.

must allow a full and impartial investigation into the massacre by independent experts.
The deaths of the Yanomam men, women and children have be-

against indigenous people. Their deaths have also ensured that, in October during the debate on the revision of the indigenous-rights clauses of Brazil's Constitution, the whole world will be watching.

By William Safire

paunches of leaders on vacation? Granted, the return of Boris Yeltsin from his holiday retreat to harangue the rump Russian parliament may be worth reporting. And the picture of Li Peng in bathing trunks deserves the space it got, because his reappearance in public means that hard-liners in Beijing have

means that hard-liners in Bering have their champion back.
But profiles of John Major lollygagging in Portugal? Details of Edonard-Balladur's friendly dog. Train, injuring a French bodygnard by bounding into him? Helmit Kohl consuming great mounds of dumplings in Sankt Gilgen on the Wolfgangsee?

America's immediate class, not to be

America's journalistic class, not to be outdone, has been swarming all over Bill

Why the lust for shots of Li Peng or Bill Clinton stripped to the waist? My theory is that we have transmogrified all leadership into mere celebrity. We only cursorily cover what leaders do; but we always cover what sort of people they are.

Clinton's grim determination to relax if it kills him. Ah, the Martha's Vineyard parties and their celebrity guest lists, the beach and pool shots, the samration coverage of every splash.

What is the reason for this international hist for political beefcake? Is it because the world press is all geared up for round-the-clock coverage, and is forced by its own momentum to cover the non-news of leaders on vacation as fiercely as we report news of leaders' resolutely striking poses when at work?

We are not talking here about the telescopic color shot of Princess Di m a

bikim; that has esthetic value, and qualifies as news. But Li Peng and Bill Clin-

ton stripped to the waist?
I think it is more than the need to shovel uninterrupted reportage into the maw of the ever publishing, always

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's sig-nature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited maniscripts.

PARIS — Why are the world media broadcasting media. More alarming is so avidly covering the pudgy this possibility. Readers and viewers may actually be interested in the story, with pictures, of Leaders at Play. One source of that interest is reader guilt. There you are gooding off in August, the offingest month, but not to worry—all the responsible biggies are

gone, too. Conversely, we have leader-identification: Although you can't get time off, your leader is representing you at the beach.

Another reason is pseudotherapy: We persuade ourselves that it is good for the leaders' minds for them to get in touch with their bodies. According to this no-tion, relaxation equals health equals sound mind equals good government. But common sense tells us that our lead-

ers work harder at appearing to relax han they work at appearing to work. My theory is that a permicious reporter-reader symbiosis has transmogrified all leadership, even genuine leadership, into mere celebrity. We never cover what leaders think; we cursorily cover what they do; but we always cover what sort of people they are. Our central ques-tion is not "Where are they taking us?"

out "What are they really like?"
We focus less on our leaders' impact on us than on our impact on them. As a result, we produce a cult of personality

result, we produce a cell of personality even when they have no personality.

That explains the continuing coverage of discontinued activity, which reflects public fascination with Mr. Kohl's dumplings, Mr. Balladur's dog, Mr. L's chest and Mr. Clinton's down-the-tube

channel-surfing.

That also explains why leaders must play the relaxation game. They must monstrate a false normality no matter how much they think it a waste of the most valuable time of their lives.

If they and we were really interested in ecreation in its original sense - re-creatrecreation in its original sense — re-creating our intellectual energies — we would be asking, "What are you reading?" and perhaps getting answers like "The Moral Sense, by James Q. Wilson," or "Loyalty," by George P. Fletcher."

Or we should be asking, "What are you thinking about, now that you can vacate your mind to think?" The purpose of a holiday is not to become as near as possible to a veretable, but to

near as possible to a vegetable, but to refresh mind and body by enjoying the ment and potatoes of postponed activity in a changed atmosphere.

Better still, if we were interested in our own welfare, we would ignore our leaders when they go on vacation. We would re-create ourselves by taking a vacation from them.

This would be better for our leaders,

allowing them to recharge their batteries without relentlessly exhibiting themselves at leisure. And the peoples of the world could then achieve a holiday that celebrity-leaders are powerless to de-clare — a true vacation of the governed.

. The New York Times.



### LETTERS TO THE EDITOR

A Revived Yugoslavia

The only viable solution to the Bosnian crisis, to my mind, lies in bringing about a reconciliation between the Muslims and the Serbs through a revived Yngoslav federation. Those who think that after so much bloodshed, no reconciliation is possible, should take a look at Lebanon. Only a few years ago Leba-non was being written off as a nation. The prognosis then was much like the one for Bosnia today: Fragmentation into a series of ministates or cantons. each susceptible to a legacy of bitterness that could explode again into open conflict at any moment. Efforts now being

made to reverse the results of "ethnic cleansing" offer hope for Bosnia.

With proper mediation, the Muslims and the Serbs could be persuaded to live together in a revived Yngoslav federation with proper mediation and the serbs could be persuaded to live together in a revived Yngoslav federation with persuaded automatics. tion with complete regional autonomy for Bosnia-Herzegovina. This way the Serbs in Bosnia would not be cut off from those in Serbia and the Muslims would not have to be outcasts in their own lands, which any partition on eth-nic lines would inevitably lead to. "Ethnic cleansing" must stop imme-

diately, and people uprooted by the war must be allowed to return home. Bosnia could retain its seat in the

United Nations, like the one Ukraine enjoyed as a part of the Soviet Union. Bosnia could have autonomy in local administration in a variety of areas. But the Yugoslav federal parliament would have jurisdiction over defense, foreign affairs and currency.

Muslims and Serbs are too intermin-

gled and have too many things in com-mon to live completely separately. They have been living together peacefully un-

der a dictatorship. Why can't they live together under a democracy?

MAHMOOD ELAHL

It is extremely unfair that the United Nations should endorse a partition of Bosnia based on "ethnic cleansing." This bodes ill both for the future of Europe and of the United Nations.

HAROUN ER RASHID. Dhaka, Bangladesh.

### Under Foreign Command

In your Aug. 21 issue, you printed an article by Butros Butros Ghali, the secretary-general of the United Nations, under the title, "UN Multilateralism: A Cure for Ugly New Nationalisms." Beneath this appeared another article, by U.S. Senator Robert C. Byrd, who refused to accept the notion that U.S. soldiers should be commanded by a WILLIAM SOMMERS. soldiers should be commanded by a non-American officer. This is the same

Correction

The words "variable cost" were omitted from this passage in Kenneth S. Couris's comment on Wednesday on the Japanese economy. Since Jap-anese companies have substantial excess capacity, it is in their interests to pump out goods for export as long as the exchange rate is above variable cost break-even levels. In the case of the automotive industry. that level is estimated to be around 75 yea to the dollar.

petty nationalism that Mr. Butros Ghali rightly attacks. EDMOND BRUNEAU.

### Parliaments of Fools

After the performance of the British Parliament on the Maastricht treaty and the U.S. Congress on President Bill Clinton's economic package, I find a very apt description of their actions by

the always relevant Benjamin Franklin:
"We assemble parliaments and councils, to have the benefit of their collected wisdom; but we necessarily have, at the same time, the inconvenience of their

> WILLIAM SOMMERS. Krakow, Poland.

### Out of Competition

Regarding "Blunt Message from GATT's New Man; Protection Is Poison" Opinion, Aug. 24):

Hobart Rowen has erroneously identified Sir Leon Brittan as the European Community competition commissioner. Sir Leon has served as competition commissioner, but he is currently the commissioner for external economic affairs and is directly involved in the GATT negotiations. The EC competition com-missioner is Karel van Miert.

PEGGY LUCAS BOND. Fontainebleau, France.

### A Radical Feminist Idea: Have Your Children First

وي المالية على

By Danielle Crittenden

N EW YORK — I have a private sleep over on friends' floors—I thought to the playground: I try to tell the mothers from the grandmothers. This is not as easy as it might seem. Women who once would have been approaching their children off to college and enjoying the peace of their vacated houses, are today giving birth for the first time. From 1980 to 1990, the number of American women giving birth after age 35 nearly doubled; the birth rate for mothers over 40 rose by 50 percent. This

### MEANWHILE

these mothers have gray-streaked hair and lined faces. It is briefly startling in realize that the newborns they cradle, or the toddlers they chase, are their own. While each of these women may offer a different explanation for the long post-ponement of childbirth, each has also been influenced by the prevailing wis-dom. That wisdom — as learned from says that motherhood is best put off while

a woman first establishes her career. Certainly that is the fashionable opinion among therapists and academie psychologists. "An older mother has a greater sense of herself. She's had the opportunity to work out issues of self-

There is a photograph of my mother taken when I was an infant and my taken when I was an infant and my brother was 3. I am wrapped in a blan nursery school, she would still be only 29 ket and propped in the crook of my or 30. She could enter the workforce or mother's arm; my brother elutches her graduate school with an easier conhand. We are gathered in front of a palm science, because her children would need tree in Honolulu. My mother, who was her less than before. By the time her in her 20s, looks like a movie starlet, ehildren were in school for a full day, she tanned and shapely, radiating youth.

This is not the picture of young moth-

erhood we tend to think of first. In the make the agonizing choice at 32 or 33 to standard feminist conception, early child-stop everything and drop out for a few bearing left a housewife locked in her years to have a baby — or spend six suburban ranch house, her college-edu-weeks with her infant and then deliver it cated mind condemned to solving the intellectual dilemmas of a 2-year-old.

It was only when I first became a mother at 28, youngish by current stan-dards, that I wished I had done it sooner. moment she became an asset. You don't realize how much you have aged until you have had a baby, and even by 28 I was less easygoing about the whole event than I would have been, say, whole event than I would have been, say, humor and perspective, she went back at 23. I was more absorbed in my work; I and forth between home and job. As it had less physical stamina; I fretted more

about damage to my furniture.

When I looked at the photographs of my mother, and when I remembered the life a woman in her early 20s leads - her ability to stay up to all hours, cat poorly.

game I play when I take my baby how much better suited that person is to the enjayeround; I try to tell the moth-

The bahy, too, fits more naturally into a younger mother's and father's lives. It hasn't been born into a marriage whose patterns are long set. It is less likely in grow up an only child, and more likely to know his or ber grandparents - as energetic people, not as pathetic bodies in a nursing home, or as graves to visit. Older mathers "can be removed a bit from instinct," says Nancy Sanchez of some of the older mothers she has met is largely a phenomenon of white career while teaching postnatal classes at Stan-women. At my playground, some nf ford University's hospital. "These are women who are accustomed to having control over their lives, and they try to control the babies' behavior and time.

They averimellectualize the experience. I have in tell them to relax. I have come across mothers like this in my playground. One woman, in her 40s, told me she had not gone out in the evening since her baby was born - 15 months ago — because she didn't trust a sitter to put her child to bed. Another mother, in her late 30s, had a 9-monthwomen's groups. lifestyle columns and nld baby who was still waking up several the examples of prominent women — times a night hecause the mother thought it would be traumatizing to let

the child cry itself back to sleep.

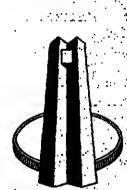
It would, of course, be considered re gressive for a woman today to get married in her early 20s and promptly have a baby. But I wonder if it would not be the most radical even feminist-minded, act esteem and independence." says Caro- an ambitious woman could commit. Let's lyn Alton Siegel, a San Francisco mar-riage and family counselor. But in fact, it makes un more sense fur a wuman to woman would be rushing into a life of makes nn more sense fir a will and to have a haby at 38 or 40 than it does at diaper-changing and responsibility they won't have in think about for years.

So what would she have gained? By the would have just begun to hit her stode at work. She would not have to suddenly into the hands of a day-care center, From her employer's point of view, the time and money invested in training her would

My mother emerged from the domestic cocoon of her 20s to lead a successful professional life. While maintaining her is, by the time my second child is in kindergarten, I will be middle-aged.

Ms. Crittenden is a New York writer. She contributed this comment to The

### SOUTH AFRICAN RESERVE BANK PARTIES AND ARREST FOR THE SECOND OF THE SECO



### ON THE THRESHOLD OF A NEW ERA

the South African Reserve Bank, at the seventy-third ordinary general meeting of shareholders of the Bank on . 24 August 1993



### Introduction

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The recession in the South African economy, which had started in March 1989, deepened considerably in 1992 and then levelled off in the first half of 1993. Two major exogenous events influenced the course of the economy during the past eighteen months:

the economy during the past eighteen months: Firstly, the severe drought of the 1991/92 agricultural reason adversely affected not only economic activity in the summer rainfall areas, but also the balance of in the simmler raman areas, our and the beautie or payments; the foreign reserves and the overall liquidity simution.

Secondly, the protracted negotiation process aimed at political and social reform, and the further escalation of violence and social unrest, prolonged the phase of business uncertainty and delayed the recovery of investors and consumers confidence.

These local developments occurred against the background of a global economy that also remained fairly depressed. Turnodl in the foreign conversy markets since September 1992, the disfacto suspension of the European Enricinge Pair Mechanism and volcille exchange

among the major currencies also affected the South African balance of the product of the second of the

Domestic economic activity bottoms out at low level After more than three years of almost uninterrupted declines, the quarterly change in the real gross domestic product, measured at an annual rate, showed welcome increases of 1% per cent in the first and 5 per cent in the second quarter of 1993. This was preceded by sharp declines of 5% per cent in the third and 4% per cent in the fourth quarter of last year.

Total real domestic expenditure continued to drift downwards throughout 1992, and then showed a rather strong increase at a seasonally

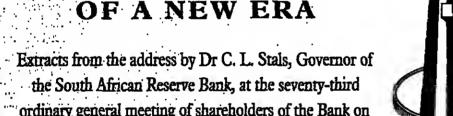
managnour 1992, and then showed a zenner strong increase at a seasonally adjusted annualised rate of 9 per cent in the first quarter of 1993. These developments were reversed in the second quarter when a large decline in inventories occurred as the volume of exports rose and that of imports declined. Total real gross domestic expenditure accordingly declined again at a seasonally adjusted sinutalised rate of as much as 12 per cent in the

second quarter.
The severity of this long-drawn-out recession is best filmerated by the fact that road employment in the formal non-agricultural sectors of the economy decimed by 4.8 per cent, or by nearly 286 000 employment opportunities, from the beginning of the recession in 1989 up to the end of 1992.

### Vulnerability of balance of payments illustrated by sharp decline in foreign reserves

cover the three years from the middle of 1989 to the middle of 1992, South Africa's ner gold and foreign enchange reserves increased by R6,2 billion, but in the subsequent nine months from July 1992 to March 1993 they declined again by R7 billion. All the progress made through the painful adjustment process of three years of depressed domestic economic conditions was therefore less again in a relatively short period of a more three quarters. After an increase of R1,2 billion in the second quarter of 1993, the official het foreign reserves position in the middle of 1993 was only slightly better than it was four years ago.

The severe drought of the 1991/92 season mak its toff in respect of the balance of payments through a decline in the experts of agricultural products on the one hand, and a substantial increase in grain imports, on the other. It was only in the second quarter of 1993 when the imports of agricultural products contracted and total experts of merchandise, including gold, rose sharply, that the current account surplus increased again. Indeed, on a seasonally adjusted and annulized basis the current account surplus in the second quarter exceeded R10 billion.



The deterioration in the foreign reserves position

also reflected an escalation in the act outflow of capital as from the middle of 1992. Over the twelve months to the end of June 1993, the total net outflow of to the end of June 1993, the total net outflow of capital not related to reserves amnunted to R9,8 billion. It was only towards the end of the second quarter of 1993 that the improvement in the current account, supported by a rising gold price, finally pushed the current surplus to a level again in excess of the net capital outflow. At this stage, the net foreign reserves started to rise again.

Some relief from the pressure on the foreign reserves cauld come from an early finalisation of the debt rescheduling negotiations now under way between the South African debs rescheduling ecommittee and the representative committee of

committee and the representative committee of foreign creditors, and also from a normalization of South Africa's relationship with the International Monetary Fund and the World Bank Group. Both Monetary Fund and the World Bank Group. Both these important issues are now being negotiated within the complex South African political process, and cannot, unfortunately, be decided conclusively on underlying economic and financial conditions alone. They do, however, have a profound effect on the current depressed business mood. It is in the interest of the South African economy that these issues be resolved as

soon as possible.

Movements in the exchange rate of the rand over the past year also reflected the underlying trends in the balance of payments. In 1992, the nominal effective exchange rate of the rand against the basket of the currencies of South Africa's major trading partners depreciated by 4,3 per cent, and in the first seven months of 1993, by a further 9,2 per cent.

After adjustment for the differential in producer price inflation in South Africa and in the relevant other countries, the real effective exchange rate of the rand in June 1993 was 4,2 per cent lower than at the end of 1991.

of the rand in June 1993 was 4,2 per cent lower than at the end of 1991. The financial rand exchange rate remains to an important extent divorced from fundamental balance of payments developments. It largely reflects the frequently changing perceptions that foreign investors hold of political developments in South Africa. In the first six months of 1993, non-residents nevertheless made substantial investments on the Johanneshurg Stock Erchange, perceularly in gold mining shares. On a next basis, they invested R2,7 billion in South African shares and bonds through stock exchange transactions, and thus absorbed a substantial part of the liquid financial rand bolances held by non-residents in the form of designated deposits with South African suthorised dealers in foreign exchange. In the process, the financial rand exchange rate appreciated by 8,2 per cent in the first seven months of 1993, after having deposited by 34,7 per cent in 1992. The financial rand discount sits—but the commercial rand narrowed from 37,2 per ecot on vis-à-vis the commercial rand narrowed from 37,2 per ecot on 31 December 1992 to 28,4 per cent on 13 August 1993.

### Growth rate in the money supply declines and mterest rates come under pressure

In the situation of the depressed real economic activity of the past year and under the influence of the ner outflow of funds to the rest of the world, the rate of growth over twelve menths in the M3 money supply slowed down from 10,4 per cent in February 1992 to 8,0 per cent in December 1992.

During the first seven months of 1993, the growth rate in the broad oney supply slowed even further. Over the twelve months up to the end of June 1993, M3 increased by only 3,5 per cent, which was below the lower level of the monetary guidelines of 6 to 9 per cent announced by the Bank for 1993. An increase in the velocity of circulation of M3 over this period, however, compensated partly for the lower rate of increase in the M3 money supply itself.

The rate of increase in M3 was also influenced by a significant slow down in the expansion of bank credit extended to the private sector. Over the twelve months up to the end of June 1993, the banks' total claims on the private sector rose by only 7,0 per cent above the level of 12 months

The strong declining trend in money market interest rates which had thomentum during the first nine months of 1992, was also tempered by the deterioration in the overall balance of psyments situation. A few of the thore flexible short-term interest rates actually tended to move upwards again in the second quarter of 1993.

Reserve Bank on two occasions during the past twelve months The Reserve Bank on two occasions during the past twelve months endorsed lower interest rates in the market by reducing its Bank rate. After having been reduced gradually from a peak of 18 per cent to 15 per cent in three steps from March 1991 to June 1992, Bank rate was reduced further to 14 per cent in November 1992 and again to 13 per tent in

### Increase in public-sector borrowing requirement

The total borrowing requirement of general government rose from R2,1 billion in the fiscal year 1989/90 to R31,7 billion in 1992/93. At this R2,1 billion in the fiscal year 1989/90 to R31,7 billion in 1992/93. At this level, the borrowing requirement represented 9,5 per cent of gross domestic product. It also exceeded general government capital expenditure by a substantial margin. Although it was possible to finance the total general government deficit of 1992/93 with relative ease in the depressed economic climate of the pest year, a continuation of dissaving by government on the same scale is bound to compete scoper or later with increases in the demand for finds that will emanate from the private sector, particularly contract the competer state.

demand for funds that will emanate from the private sector, paracularly once the conount starts recovering again.

The Reserve Bank fully supports the efforts of the Minister of Finance to reduce the size of the deficit, even in the current depressed economic environment. in terms of the central government's budget projections for 1993/94, the deficit before borrowing will be reduced to R25,9 billion, down from R29,4 billion in the preceding fiscal year.

### Inflation in the single-digit range

It remains the prime objective of monetary policy to achieve a low and stable rate of inflation to ensure durable economic growth. In the medium

stable rate of inflation to ensure durable economic growth. In the medium and longer term price stability is a necessary condution, though not in itself a sufficient guarantee, of course, for a high level of investment, rapid economic growth and full employment.

Some further progress was made towards this goal with the rise in the all-goods production price index, measured over periods of twelve mouths, remaining below the level of 10 per cent throughout the past year, and with the rise in the consumer price index falling to 9,6 per cent in December 1992 and to 9,0 per cent in February 1993. Sharp increases in educational fees in March 1993, a four percentage point rise in the rite of value added two from 10 to 14 per cent, an increase in the price of petrol and increases in other indirect taxes in April 1993, caused the twelve-mouth rate of increase in the overall consumer price index to accelerate to 11,0 per cent in April, before it declined again to 10,0 per cent in June 1993.

The underlying inflationary pressures subsided significantly in the past

The underlying inflationary pressures subsided significantly in the past year. When the once-off effect of the increase in the value added tax rare in April 1993 is excluded, the rate of consumer price inflation in June 1993, measured over a period of twelve months, was only about 8 per cent, compared with the even better overall producer price rate of inflation

The social consequences of inflation should also not be underer Stable money is not only a necessary candition for economic growth, but also for a viable democracy. Hyperinflation has in the history of the world not only destroyed the economics of countries, but has also led to the destruction of many democratic social systems. South Africa now needs financial stability more than ever before, not only in support of sustainable ronomic growth so desperately needed by all, but also to underpin any

### Changes in the financial regulatory structure

The Government announced its acceptance of the sound principle of a holistic approach to the regulation of financial services. This decision was prompted by the development of multi-functional institutions which requires co-ordination, not only of the determination of financial regulation (in order to achieve competitive neutrality or a "level playing field"), but also of its implementation and of financial supervision.

The Government appointed a Policy Board for Financial Services and Regulation. The Board was not assigned executive powers. As its name indicates, however, it was given the responsibility of formulating and co-ordinating policy relating in the further development of the financial services sector and to financial regulation. In terms of this arrangement, the Office of the Registrar of Banks within the Reserve Bank will remain responsible of the Registrar of Banks within the Reserve Bank will remain responsible for banking regulation and supervision, and the Office of the Executive Officer of the Financial Services Board, for non-bank financial regulation

and supervision.

In recognition of the need for the encouragement of the financial the South African economy, the Registrar of Banks revised the Mutual Building Societies Act and recently published in its place a recommended

new Mutual Banks Bill. This Bill allows for the registration of "informal" banking institutions and of the custing two permanent mutual building societies as munual banks. In providing for the capitalisation of banks through mutual participation rather than equity shareholding, the Bill could serve as a useful bridge between the informal and the formal sections

### The Reserve Bank and the financial markets

During the course of the past rwelve months, a number of changes were introduced to the rules governing the relationship between the Reserve Bank and the financial markets.

Firstly, a new simplified basis for the calculation of the minimum cash reserve and liquid asset requirements for banking institutions was introduced. The new basis includes all liabilities of banks and no longer draws a distinction between thort, medium and long-term liabilities. The new basis therefore, now approximates the broad definition of the money supply (M3) which, from a monetary policy point of view, is currently

regarded as the principal monetary aggregate.

Secondly, on I May 1993 the Bank introduced a simplified system for money market shortages. The old system of discounding eligible paper at a series of different rates has now been replaced by a system of extending overnight loans against the collateral of acceptable paper. In the new system, bankers' screptances have been excluded from the defi System, bankers secretained and colyston-dated government stock and Treasury, Land Bank and South African Reserve Bank bills now qualify as collateral

Thirdly, with the co-operation of the Department of Finance, arrangements were made for the transfer of at least part of government deposits from the Exchequer account with the Reserve Bank to government deposit accounts with private banking institutions. This step anticipates the introduction of proper "tax and loan" accounts that will shortly be opened by the Treasury with banking institutions to serve as depository accounts for tax collections and for the proceeds of loan issues by constructed.

Fourthly, on 1 July 1993, the Bank ceased to participate in small-Fourthy, on 1 July 1993, the Bank ceased to participate in small-value or "retail" transactions in its open-market operations. The Bank previously became involved in the retail business in support of increasing overall market bequidity, and of promoting government stock as an attractive investment instrument. In the judgement of the Bank, the time had come for it to withdraw from this section of the market, and the Bank now confines its participation to larger-value transactions of R10 million or more. Agents are appointed on a rotation basis to trade in smaller amounts on the Bank's behalf.

on the Bank's behalf.

In the longer run, all the aforementioned changes are intended to improve the effectiveness of monetary policy. They should support a more flexible interest rate structure that will be more responsive to changes in marker conditions. At the same time, the new system incorporates more efficient brakes that will automatically be applied to curb excessive credit creation through the discount window of the Reserve Bank. The Bank's ability to meet its obligation to protect the value of the rand has therefore been enhanced by these changes.

### Concluding remarks

There is a growing impatience in South Africa for an early economic recovery. The past year saw yet again a number of exogenous factors depressing the economy. The effect on the South African economy is illustrated by a third year of negative growth in the gross domestic product in 1992, a decline in most of the components of gross domestic expenditure and a discressing further increase in unemplo-

and a discressing further increase in unemployment.

On the more positive side, South Africa survived yet another crisis in its balance of payments and was able to meet all its international financial commitments, including paying for the additional imports of essential food, forced by the drought. Moreover, this was achieved without access to normal international Monetary Fund and certain other international credit facilities. Good progress was also made towards reducing the high rate of

inflation, and towards creating a more stable financial environment in general. The decline in the rate of inflation to a single-digit figure provides sufficient proof that an even lower rate, in line with the low rates now prevailing in the economies of most industrial countries, is attainable also In the first six months of 1993, real economic activity lifted its head, albeit mainly because of better weather conditions in some parts of the

country. These early signs of a "recovery" have, however, not yet extended to all sectors of the economy.

South Africa now stands on the threshold of a new era. There are many high expectations of what the economy will be able to provide in the coming years. The developments in the balance of psyments and in the foreign reserves over the past twelve months serve as a stark reminder of what can at this stage realistically be achieved. Within these limits, real wealth can be created only by our own efforts, increased savings, higher prinductivity, better management and improved production processes. Financial subility is an indispensable pre-condition for the optimum development of all these activities. pre-condition for the optimum development of an timese activities. The Reserve Bank therefore remains committed to its mission, namely

the protection of the value of the rand.

Pennese Financial 18566



ENICE - "I can call spirits from the vasty deep," says Shake-speare's over-the-top Welshman Glendower in "Henry IV, Part L" Why, so can I, or so can any man," replies the more down-to-earth Hotspur, "But will they come when you do call for them?"

"Will they come?" has turned into the underlying theme of this year's Venice Inter-national Film Festival, the 50th edition of which runs from Aug. 31 to Sept. 11.

Steven Spielberg is, we are told, a dead certainty: He has been entired here to collect a special Golden Lion for career achievement and to watch an out-of- competition showing of "Jurassic Park." So is Martin Snowing of "Jurassic Park." So is Marini Scorsese, whose "The Age of Innocence" (also out of competition) will be opening the whole shehang. Tina Turner promises to make an appearance to give a hand to her life story on celluloid "What's Love Got to Do Web 142" Medonna has been incided. Do With It?" Madonna has been invited she stars in Abel Ferrara's in-competition
"Snake Eyes" — but may prove as elusive as
Glendower's submarine ghosties.

Unluckily for the organizers, who clearly are feeling a need for some glitter to perk up the event's image, this also happens to be the year of "When the Freebies Had To Stop." Amid the general fervor to root out corruntion and graft, the Public Accounts
Court in Rome has been delving into the

records of the last three festivals and has uncovered "pharaonic prodigality."

Until now, many directors, actors, bureancrats, politicians, diplomats and academic film buffs were in the habit of turning up like errant princelings with entourages of hangers-on, often outstaying their welcome, lavishly supping and watering themselves as though there were no tomorrow.

Many guests should not have been here at all, says the court, and bills are being sent out totaling millions of lire.

(Ornella Muti, it is said, is being asked to pay the difference between the suite she moved to and the single room originally assigned to her. Federico Fellini and Omar Sharif's names have also been mentioned as having been asked to chip in to balance the

Venice's yearly film festival, the oldest such international festival, has been losing ground for some years, especially in the face of competition from Cannes and Berlin.

"Cannes," said a leading producer, who divides his time between Los Angeles and London (and prefers to remain anonymous), "is not only a festival, but also a marketplace where people get together to sell rights, ne-gotiate deals and raise money for future productions. Venice is more a celebration of film, a directors' event. So there are many in the industry who don't feel it's essential to be

And, to add insult to injury, Cannes has even been talking of moving its dates to clash with Venice's.

For a decade Venice's festival has had a decidedly arty flavor, mening its back on commercial cinema. This has not only put off most commercial filmmakers from attending, but seems to have alienated many

ordinary cinema-goers. Attendance figures for the public performances that are held at the festival's headquarters, the Palazzo del Cinema on the Lido, and the open-air and indoor venues in the city itself, have fallen by nearly half in the last five years.

NEW artistic director, Gillo Pontecorvo, maker of The Battle for Algiers," was appointed last year. Very much an art filmmaker's filmmaker, Pontecorvo nonetheless clearly sees the need for a radical change in direc-

Remember the tedium and the duliness on the Lido in past seasons?" he asks rhetorically. That's the reason why one of the most important things is to re-establish a relationship between Venice and the American cinema after the chill of the last 10

Competition films include three U.S. productions: Robert Alman's "Short Cuts,"
Ferrara's "Snake Eyes" and Gus Van Sant's
"Even Cowpirls Get the Blues" — all of
which could be considered essentially art

The out-of-competition selections, howevr, become more expansive, featuring Woody Allen's "Manhattan Murder Mys-

tery," Robert De Niro's "A Bronx Tale,"
Andrew Davis's "The Fugitive," Jennifer
Lynch's "Boxing Helena," Mario Van Peoble's "Posse: The Revenge of Jessie Lee" and
Ivan Reitman's "Dave."

Overall, there appears to be a fair dose of a sometimes of a violent nature, but, judg. ing by the synopses for in-competition catries, the life-enhancing possibilities of costedy even of the bittersweet variety have been passed over this year.

Pontecorvo, who gave us a lot of pleasure last year by chosing Alexandre Rockwell's hilarious "In the Soup," is including plenty of young blood: 25 first films, five of them in competition. Nor have latest works by established figures like Ermanno Olmi, Jean-Luc Godard and Eric Rohmer been neglected.

The prize jury will be headed by the Australian director Peter Weir, aided by, among others, James Ivory. Abdullah Sidran, the Bosnian screenwriter of Emir Kusturica's award-winning. When Daddy Was Away on Business," has also been called upon.

"We know that it won't be easy to bring him to Venice." Pontecorvo said, "but we'll do everything we can to do it. I have no doubt that the only way of getting him out of Sarajevo will be to use a military plane."

Booking and information: Palazzo del Cinema Biglietterla (for Lido showings), tel: 041/2760316; Ufficio attivita cinematografiche del Commune di Venezia (for sho) the city), 1882 San Stoe, tel: 041/5241320.

### **Hard Target**

Directed by John Woo. U.S. The only thing wrong with John Woo's American debut, "Hard Target," is that it's too American and not enough Woo. Despite a string of critically acclaimed ac-tion films, including "The Kill-er" and "Hard Boiled," the Hong Kong-based director has run into a Hollywood system that wants to like him but re-fuses to trust him. At home Woo writes his scripts, controls his editing, imposes his imagination. Here, he's forced to hire Jean-Claude Van Damme and it's pretty much downhill from there. Woo, a master of stylized violence and explosive action, has had to buy into America's fascination with explosive effects and reaction. The original source material is "The Most Dangerous Game," a Richard Connell story first adapted to the big screen in 1932 under th name, recycled as "A Game of Death" in 1945 and as "Run for the Sun" in 1956, and exploited by dozens of television series over the years. The original premise: A crazed hunter lures guests to a remote island and makes a game of hunting a po-



Jean-Claude Van Damme in "Hard Target."

tentially dangerous adversary man. Action fans had every reason to anticipate Woo's American debut, but it's a disappoint-ment that can probably be traced to seven producers and Hollywood's inability to accommodate auteurs. Maybe next time, they'll let Woo alone. (Richard Harrington, WP)

Without a Face

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was a favourite party trick of Arshak, youngest

of the Sarkies brothers who founded Raffles

Hotel. Gnests would watch him in the ballroom

nightly, and he was never seen to spill a single drop.

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Directed by Mel Gibson, U. S. When a man has a face like Mel

Gibson's, a movie studio is apt to want to keep that face happy. That's one explanation for "The Man Without a Face," with which Gibson makes his directorial debut. Following the timehonored tradition whereby handsome perior their seriousness by camouflag-ing their looks, Gibson appears in the title role as a hermit halfdisfigured by scar tissue. (The other half, the one more often on camera, looks just fine.) A former teacher, he enjoys speaking

"A curtain of blonde bangs flowed from under Miss Correll's

wide-brimmed straw sunhat and fringed her eyes. It was a nice

sensible hat, but it was all she was wearing. Nice view, I said, and I meant it. The world-weary voice of Raymond Chandler, creator of private eye Philip Marlowe? Try Bruce Golden, 60,

Stephen Potts's second-place entry: "Back at the front door,

can make ends meet in Southern California.' I looked her in

a college professor who won top honors for his spoof of Chandler.

she turned to me. 'Tve never understood how a cheap dick like you

Latin and listening to opera in a book-lined, wood-paneled lair. This is the "Hamlet" Mel Gibson, not the "Lethal Weapon" guy. The best that can be said about Gibson as a director and this is no mean achievement — is that it's often possible to forget he was the man behind the camera, Most of this film has a crisp, picturesque look and a be-lievable manner. Set in 1968 in a charming Maine coastal village, the film tells why 12-year-old Chuck Norstadt feels like such an outsider in his own family. The few occasions when "The Man Without a Face" calls attention to Gibson's capable direction are when he himself strikes a lofty tone. Much of his performance is solemn and sturdy, and his encounters with Nick Stabl's Chuck are affectingly staged. But when Justin speaks out about his hardship and his neighbors' small-mindedness, the film veers toward obvious-Gibson mostly sustains the deep, authoritative tones of a former headmaster. And Stahl gives an especially tough, credible performance as the lonely young boy.

(Janet Maslin, NYT)





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A Training

Shop on the Avenue Paul-Bert, left; Marc Carlotto, who offers an eclectic mix of decorative items and paintings.

# Paris Flea Markets: Browser's Eden

### By Patricia McColl

ARIS - With more than 1,500 exhibitors spread over 15 kilometers (nine miles) of passageways and streets, the Marché aux Puces de Clignancourt is the biggest flea market in the

For the uninitiated, the size and variety of the market is bewildering. Assive by Metro at the Porte de Clignancourt on Saturday or Sunday and as far as the eye can see, on both sides of the road down to the highway underpass, are table after table of blue jeans, pots and pans, bolts of fabric, brass Eiffel Towers, "I Love Paris" T-shirts, fake Turkish rugs and what have you - none of it old

and most of it seconds. During the week, the same space is a parking lot intermingled with secondhand cars for sale. Some visitors never make it beyond this area and think they have been to the flea market. They haven't.

The actual market starts on Rue des Rosiers on the far side of the underpass with the first and oldest of the markets, the Marche Vernaison, a warren of little alleys barely wide enough for one person. This market, crammed with more that 300 dealers, is more than 100 years old, the original puces when ragmen and secondband dealers were chased ragmen and secondhand deaters were caused from the city to what was open country. Nowadays the main reason to go to Vernaison is for lunch at Chez Louisette with its singing waiters and waitresses imitating Edith Piaf or Tino Rossi. Finds, here, are rare.

Top Paris decorators like Jacques Grange and Jean-Louis Riccardi head straight for the Marché Paul-Bert, Marché Serpette and Marche Jules-Vallès, all farther down Rue des Rosiers and on Rue Paul-Bert.

Since the end of World War II, the Marché Pani-Bert has been a secondhand market, an eclectic mix of quality antiques and brocomte a word that can cover anything from last year's calendar to a turn-of-the-century biscuit tin. The more upscale Serpette, an indoor market opening off Paul-Bert, was created around that market in 1977, Both are now owned by a private company

To avoid the Saturday and Sunday crowds that on an average weekend can swell to more than 150,000 visitors, do as the decorators and dealers do: Go on Friday morning, Riccardi, for example, usually arrives around 7 A.M. and from a table in the Cafe Paul-Bert watches dealers arrive with what they have hunted down during the week at the suctions, country fairs or bouse (sometimes château)

Trucks pull into the alleyways of the market or park on the sidewalks outside. Often, objects never make it from a dealer's truck to his stand, changing owners right in

the truck Friday hours are roughly from 6:30 A.M. to 11 A.M. and not all stands are open. Among the Friday regulars — they're there on week-ends, too — are Alain Busson, François and Anne Bachelier, Marc Carlotto, Patrick Four-tin, Jean-Michel Merlin, Marc Dubreuil and Adrienne Andreolni, each with his or her own specialty. (Saturday hours: 10 A.M. to 6:30 P.M. with a long lunch break.) The market is also open Mondays.

Busson and the Bacheliers both work extensively with the American antiques trade. Both have clients from all over the States. Busson has been at Panl-Bert for more than 25 years. His most important American

clients are the Pierre Deux boutiques that soap up his antique metal garden furniture, his Provençal-style pointed furniture phis Busson's specialty. Iow coffee tables made from decorative 19th-century window grills mounted in steel frames, According to size, prices on these tables can range from 2,000.

francs (\$340) to 6,000 francs.

The Bacheliers' stand, just inside the main entrance after the Cafe Paul-Bert, is the biggest in the market, a well-arranged space for their two specialties: vineyard-and kitchen-related objects. n-related objects. Percunial best-sellers include giant dark

green Provençal vinegar bottles, grape har-vest baskets in all sizes and rustic pottery jugs, again in a wide range of sizes and priced from 250 to 400 francs. Marc Carlotto calls the mix on his stand:

"decorative rather than 'antique,' which seems to be the direction now. A few years ago, customers were looking for specifics like painted tole metal trays or genre paintings. Now, it's what catches the eye. Patrick Fourtin and Jean-Michel Merlin

have both narrowed in on the current fasti-ion for the 1940s with their stalls exading the glamour of a film set. Fourtin calls his finds:
The baroque side of the '40s—the kind of furniture you inherit from your parents and want to get rid of. It's not for everyone and there are weeks I don't sell a piece; then, in

there are weeks I don't sell a piece; then, in one weekend. Fil be emptied out and the search begins again."

Marc Dubreuil also specializes in the Napoleon III period, the French emivalent of high Victoriana: tufted sofas; passementerie-fringed ottomans, opaline glass, faded Aubusson carpets. It's a mix that attracts top Parisian decorators as well as London dealers.

Adrienne Andreoin's stand overflows with 19th-century dolls, old teddy bears; doll furniture and clothes plus a century's worth of toys.

Beyond the Marche Paul-Bert, to the right on Rue Jules-Valles is the Marché Jules-Vallès, which was slated for demolition in 1942. It's still there, but judging from the construction around it, its days, finally, may be numbered. Bargains can be had in 19th-century glassware and tableware. A must stop for clock and watch fanciers is Alain Maignan La Forge's stand. Along with his collection of pocket watches, wall and bracket clocks and clock faces, Other markets at Clignancourt, the recent

Marche Malassis, the pricey Marche Biron and Vernaison are quiet on Friday mornings, bustling with business on Samrdays and A STATE OF THE STA

Early Saturday, you can find many of the Porte de Cligamcourt dealers at another miniet on the other side of the city, the Puces de Vanves at the Porte de Vanves. Unlike Clignancourt where the dealers sell from enclosed stands, Vanves is what the

professionals call un marché volant - a market-on-the-move, where the 350 dealers spread their wares on tables or flat on the And those Clignancourt dealers are not

there to sell; they're out to look for finds for

"They call us the biggest attic in Paris," said Jacques Eschalier, president of the brocameurs association at Vanves.

Saturdays and Sundays, from about 7

A.M. both sides of Avenue Georges-Lafenestre and Avenue Marc-Sanguier fill up with dealers selling everything from burned-out light bulbs, to a pair of well-worn second-hand shoes, to 1940s 18-karat gold jewelry,

to leather-bound books, to turn-of-the-century hem-stitched pure linen sheets.

By I P.M., the dealers along Avenue Georges-Lafenestre have disappeared, re-placed by dealers in secondhand or secondar-clothing. The brocanteurs on Avenue Maro Sangnier remain in place until 6 P.M."

CCORDING to Eschalier, Saturday is the best day. In the early morning crowds there, we've spot-ted Catherine Deneuve, Azzedine Alaïa, Nathalie. Rykiel and many of the younger Pannian designers who all seem to collect 1920s and '30s perfume bottles.

Unlike Clignancourt where most of the merchandise is in good condition or restored here a sharp eye and a little imagination help. Back home, sandpaper and paint remover can transform many of the small tables or chairs that abound in this market to real finds. There are other good buys in small paintings, 19th-century engravings (bunt through the folders) — or, hidden under generations of dirt, the odd piece of Sevres porcelain.

And unlike Clignancourt, where dealers have the same location year after year, the Vanves dealers move around from week to week with some there only one of the two days, so if you see something you want, buy at once.

Once a year, this year on Sept. 17, Vanves is en fete for a file market equivalent of a fire sale with more dealers, more merchandise and more bargains overflowing both avenues from early morning until midday.

Patricia McColl is a free-lance writer based

Learn to Bargain

Do try your bargaining skills. Most dealers will come down on price but don't miracles.

Cash on the Berrol Head .... Don't forget to bring cash. Though many dealers accept credit cards, cash payments can help with bargaining.

Heed a Break?

Do stop for back, perhaps at Ches LA
Mère Marie, 82 Rue des Rosiers, where all
the dealers go. On warm days, back is
corred in the vine-covered parden. Heed a Break?

Watch Your Wallet Don't fling money around. Especially at Vanves, pickpockets have been known to work the crowd

Check Condition of Items Don't buy without checking that poccelain of furniture in s damaged or badly repaired.

badly repaired.
Yee, Deliveries Are Possible
Date the dismayed if you fall in love with an armôtic or a baker's rock. Most dealers can arrange shipping for you.

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### Born-Again Dining: A Hit, A Miss

By Patricia Wells tional Herald Tribune

ARIS — The dining successes of the coming years will certainly be those establishments that have taken time to undergo a "reality check" before they open the doors. You don't need a restanthey open the doors. XOH don't need a rant consultant to tell you that high prices, rich sauces, overbearing decor and wacky menus are out; that moderation, health, value and simplicity are in.

The owners of the reincarnated An Quai-

d'Orsay -- a long-established Left Bank restaurant that all but fell into oblivion the past couple of years — seem to have done their homework, for the simply elegant, very grown-up new restaurant seems to fit the mold of what most Parisian diners are in the mood for today. The menu is brief and familiar but offers some surprises. The prices are moderate, with a 180-franc menn at both lunch and dinner. The pleasing new decor is a mix of modern and classic, country and city. with an ambience that speaks of reason and simple good taste.

Nicely simated along the Quai d'Orsay just a few blocks from Invalides, Au Quai d'Orsay sits in the middle of a 7th arrondissement oasis where decent restaurants are virtually nonexistent, and one could starve to death on any given night. My only concern is that both service and

cooking are a bit hesitant here, problems that time. Some good bets include a first course pairing of delicate langoustines and fresh girolles, almost sauccless, save for tiny pud-dles of a nice balsamic vinegar emulsion; and a healthy chunk of fresh tuna --- unfortunately-cooked at too low a temperature so the interior was mushy and the exterior barely crisp — studded with crushed black peppercoms and grains of coriander and set upon a crunchy bed of herbs and bean sprouts. Both dishes are light but substantial, leaving diners

Chef Claude Colliot offers a new twist on the now ubiquitous salmon and tuna tartare, rolling the finely chopped raw fish in a thin slice of salmon. He dots his potato pure with tiny fresh chives, and offers a welcome sim-ple dessert of whole roast apricots, served with a grainy, amateurish vanilla ice cream.

The wine list offers a number of fine buys

at 150 francs or less, including a pleasingly fruity Chinon and a dependable Saint Joseph Perhaps the most bizarre remaination of the past several months is the opening of Les Salons de l'Arc de Triomphe, a private club that has gone public, with a sturning, mahog-

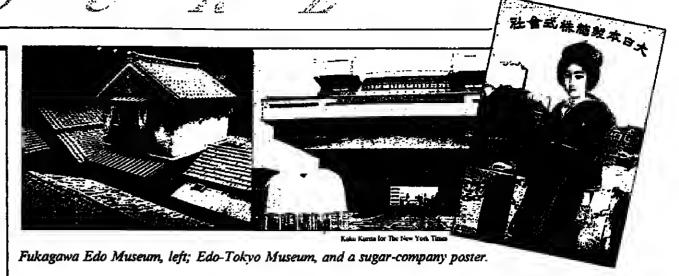
any paneled dining room with a spectacular view of the Arc de Triomphe.

Reservations are accepted here, but once you arrive you realize the staff and regulars begrudge the fact. You're not sure whether the waitress at the bar is there to hang out or wait on customers, and requests to turn down the rap music that blares are ignored.

All that is too bad, for the Provençal inspired food is light, surefooted, and anthen tic, with a salad of tender vegetables show-ered with fresh coriander; delicious stuffed zucchini; and a full-flavored dessert of crunchy, paper-thin slices of dried apples, layered between a soft and soothing blend of apples cooked in cinnamon. The 165-franc "menu dietetique" is a model of its genre, but Les Salons de l'Arc de Triomphe certainly is

Au Qual d'Orsay, 49 Quai d'Orsay, Paris 7. Tel: 45.51.58.58. Clased Saturday tunch and Sunday. Credit cards: American Express, Visa. 180-franc menu. A la carte, 240 to 355 francs, including service but not wine. Les Salons de l'Arc de Triomphe, 12 Rue de

Presbourg, Paris 16. Tel: 45.00.45.00. Open weekdays for hunch and dinner. Saturday and Sunday open for lunch only. Credit cards: American Express, Visa. 165-franc menu. A la carte, 300 francs, including service but not



### Strolling Through the Past in Tokyo

By David M. Kahn

OKYO - The visitor to Tokyo who is curious about what the city was is curious about what the city was like before skyscrapers, traffic jams and McDonald's faces a daunting task. Twice in this century the city has been virtually leveled: once by the Great Kanto Earthquake of 1923 and then by American bombers in World War II. Although little of early Tokyo survives, a handful of small, its processor of the control of jewel-like museums have recaptured portions of the old city. Collectively they evoke the look and feel of premodern Tokyo.

At two museums visitors can even wander through exquisitely detailed, full-scale recreations of long-gone urban settings. These reconstructions have proved so popular that the Edo-Tokyo Museum was opened in March to accommodate more of them.

Tokyo, originally called Edo, has been Japan's de facto capital since 1603. In that year Tokugawa Ieyasu, the paramount warlord, assumed the title of shogun and made Edo his seat of government.

The Tokugawa shoguns held sway over Japan until 1868, when the Emperor Meiji's partisans seized power. Moving from the old capital, Kyoto, to Edo, the emperor renamed the city Tokyo, the Eastern Capital. The giant stone walls, moats and a few towers from Ieyasu's original castle survive as part of what is oow the Imperial Palace complex.

The area surrounding and to the west of the Imperial Palace is a hilly region known as Yamanote. During the shoguns' regime, this land was filled with large compounds belonging to Japan's great lords, the daimyo.

The remainder of the city, occupying the lowlands stretching roughly to the east of the palace and flanking both sides of the Somida River, was and is called Shitamachi. This was the city of merchants, craftsmen, kabuki actors and other commoners. It is their world that is portrayed in Tokyo's history museums.

A good first stop, the Fukagawa Edo Museum, is in Fukagawa, an old section of Shita-machi on the east bank of the Sumida. Beyond the admissions desk visitors pass through a tunnel-like space that is filled with elegant life-size drawings of the people one would have been likely to meet in the streets of Fukagawa during the Edo Period (1603-1868). There is a fortune teller, a liquor shop apprentice carrying bottles of sake, a hair-dresser, flower vendor, an entertainer with a monkey on his shoulder and many others.

Emerging from this passage visitors find themselves on a platform, overlooking an enormous hall housing a full-scale re-creation of a portion of old Edo. It is intended to be a section of Fukagawa called Saga-cho. The time: the 1840s.

The buildings of Saga-cho are made of wood, one or two stories high, with roofs of shingles or, for the most costly structures, tile. Such buildings were extremely flammahle and great fires were a regular feature of life in Edo. Because of the fires, merchants and wealthy individuals routinely stored their valuables in fireproof warehouses, known as kura, that had heavy plaster walls.

After taking in the panoramic view, visitors descend a long flight of steps into Saga-cho. Periodically the lights are dimmed and a temple bell sounds, indicating it is sunset. A bit later the lights come up, a cock crows, and in the distance the cries of street vendors are heard as they set out on their morning rounds.

The mix of building types in Saga-cho and the uses to which they are put indicate the range of business activities and individuals found in a typical Shitamachi oeighborhood in the 1840s. Among the better class of buildings are shops and adjoining kura belonging

to merchants dealing in fish oil and rice, Finally, in a back alley, are barracks-like tenement houses occupied by a sawyer, boatman, claim peddler, rice shop employee and a genteel widow fallen on hard times, who gives lessons in reading, writing and music.

Jumping ahead in time, the Shitamachi Museum is dedicated to preserving neighborhead lefe in Tologo circa 1900 to 1902 internal lefe in Tologo circa 1902 to 1902 internal lefe in

hood life in Tokyo circa 1920 to 1923, just before the Great Kanto Earthquake swept away so much of the old city. The museum is in the southeast corner of Ueno Park.

As at the Fukagawa Edo Museum, the Shitamachi Museum houses full-scale recreations of once-typical neighborhood buildings. What is remarkable is that although about 80

are strikingly similar. To be sure, electric light bulbs dangle here and there in the historic interiors at the Shitamachi Museum. Bot clearly for many people daily life in the early 1920s was not radically different from what it was in the 1840s.

At the Shitamachi Museum the combined house and shop of a prosperous hanao maker is on view. Hanao are cloth straps used to hold geta (wooden clogs) on the foot. The merchant's low desk sits directly on the floor behind a small screen. At the edge of this raised tatami-matted area lies a cushion for customers to sit on while transacting busioess. As a reminder that fire was still a persistent threat, a huge basket hangs in the entryway. Ooce an alarm was sounded the shop's entire stock would have been tossed inside and taken to safety.

THE adjoining tenement, with its weathered wooden siding, has an elegance about it that belies its plebian character. Visitors proceed down a narrow alley past a pump - the only source of water - and laundry set oot to dry either haogiog oo hamhoo poles or smoothed flat on wooden boards. The individual tenement units are compact. The first houses a minuscule candy shop where tops. ooisemakers, masks, paper balloons and other inexpensive toys would have been sold along with hard candies and sweet buns.

On the museum's second floor there are traditional exhibition galleries where rotating shows are presented oo different aspects of Shitamachi life.

The Shitamachi Museum also operates an original sake merchant's shop at a separate site. It is on a corner lot about a 20-minute walk north of the main building, and admission is free. Although dating only from 1910, the shop's survival is something of a mirzele. Inside, the shelves are loaded with bottles. handsome porcelain jugs and giant wooden casks wrapped in straw. It is well worth a visit.

David M. Kahn, director of the Brooklyn Historical Society and a frequent visitor to Japan, wrote this for The New York Times.

### Shopping Japanese — in London

nal Herald Tribune ONDON - For years Westerners have heard hoary tales of how ex-pensive it is to live and shop in lapan. On Saturday morning at 10 A.M. Londoners can experience it themscives when a vast new Japanese shopping center opens its doors in north London. "

Everything from 1.5-lifer bottles of readymade Japanese teas selling for £4.99 (about \$7.50) each to small (200 gram) shrink wrapped bags of boiled lotus root at £2.79 are on offer.

Executives at the 109,000 square-foot 7(10,000 square-meter) Yaohan Plazz shopping center in Brent, concede that such prices may put many off. Their primary mission, however, is to serve the needs of people presumably instred to such pecuniary. horrors — the 30,000 Japanese expatriates living in and around London. For them the experience will be costly but the cultural-

reinmersion near total.

Beneath the store's ornamental blue-tile roof lies an experience billed as akin to stepping into Japan." With shops ranging from Japanese handressers and travel agents to toy stores and bakers, there is much to comfort the homesick Japanese. "You might wonder

hy we need a Japanese bakery," said Miyoki zard, Yachan's publicity manag

Although she explains that Japanese bread is "very different," the store's empha-sis on all things Japanese knows some bounds. European luxury goods like Liberty scarves and Godiva chocolates also get

In the liquor section bottles of Jim Beam bourbon and cans of Fosters lager compete for shelf space with no less than 70 different varieties of sake. Originally advertised as offering 100 different brands of sake, the store's managers scaled that back at the last minute. "It is still quite a lot," said Hazzard

"A lot" also aptly describes the 40 different kinds of miso lining the shelves, not to men-tion the six rows of sandals petite enough for female. Japanese feet and too small, we are assured, to be found anywhere else in the land of relatively leviathan Anglo-Saxons.

For Yaohan, opening stores in the West is old hat. The company that began life as a mom-and-pop grocery in Japan in 1928, grew to become an international distribution conclomerate in the 1980s and moved its headquarters to Hong Kong two years ago. The company opened its first U. S. store in 1985, and today it has eight there. It aims to have 20 by 1997.

For Yaohan's British employees the company is anything but business as usual. Of that they are reminded every morning at 9 A. M. sharp. At that hour Yaohan's 190 staffers, from the managing director to the lowliest floor sweeper join hands on the topmost level of the three-story parking garage. There be-neath London's cloudy skies they sing the

company song, shout the company alogans and recite their own individual pledges. "Doing the Yaohan salute [clenched right fist extended at arm's length, clenched left fist on hip] and shouting out Yaohan alogans might sound a bit militaristic," noted Masoud Golshani-Shirazi, the store's sole British man-ager. "But it is all done in the right spirit, with a sense of humor.

E admitted that even in recession-weary Britain, the company did have difficulty signing up em-ployees. Early on the sensible de-cision was made to seek those with what he terms "open minds," from among 3,500 job

Even Yaohan's local suppliers have had to toe the line. The local cab company the store has contracted to ferry goody-laden customers back to their abodes has not only hired a Japanese speaking dispatcher, but has laid on female drivers as well to serve the store's

Osterreichische Galerie (tel: 78.41,14). To Sept. 30: "Georg Ra-phael Donner." Works by the Austri-an sculptor who mirrored the transition from the Baroqua to the neoclassical style.

200

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BRITAIN London
Tate Gallery (tel: 821.13:13). To
Sept. 5: "Paris Post War: Art and
Existentialism 1945-55." Paintings
and sculptures by artists whose work
was affected by the turbulent climate
of the period.

Toronto
Art Gallery of Ontario (Tal: 977.0414). To Sept. 8: "The Early Paradise: Aris and Crafts by William Morris and His Circle." More than 285 objects by the British artist, designer and craftsman, and his contemporaries. Morris was the catalyst for a groundbreaking group of Viotorian artists and designers which inscluded Dante Gabriel Flossetti and Yedward Burne-Jories.

Abbaye aux Demes (tel: 31 85 28 83). To Sept. 15: "Proust et la Peintre, les Pigures d'Elstir." The ex-



Bodys Kingelez's architectural fantasy in New York.

hibition features 18 paintings reflect-ing the relationship between Proust and the painters he admired as re-flected in the character of Elistir, the imaginary painter of "Remembrance of Things Past." On show are paint-ings by Veronese, Chardin, Manet, Monet, Boudin, among others.

Roomer- und Palizaeus-Museum (tet 9 36 90). To Nov. 28: "Bern-

the Otto Emperors." This exhibition bears witness to Europe as it was a thousand years ago, during the reigns of Otto II and Otto IiI. Exhibited are some of the fine silks, ivory cav-ings and illuminated menuscripts commissioned by St. Bernward, one of the early Bishops of Hildeshelm, during his travels to France and Italy. ITALY

Lucca
Teatro del Giglio (tel: 442 103).
Sept. 10 to Oct. 3: Stagione Lirica
1983, Including performances of
Puccini'a one-act opera" ili Tabarro"
and Mascagni's "Cavalleria Rusticana!! (Sept. 10, 11, 12); Catalani'a
"La Walty" (Sept. 20, 21, 22) and
Puccini's "La Bohème" (Oct. 1, 2, 3).

Teatro Manzoni (tel: 322.38.34). Sept. 9 to Oct. 10: Opera or ballet performences every right, including Verdi's "Traviata," and "Rigoletto," Rossini's "Barblere di Swiglia," and Puccini'a "Tosca."

Mateumoto:
Saito Kinen Festival (tel:263-390001): Sept. 4 to 12: A music festival including a performance of Honneger'a "Jeanne d'Arc au Bocher." conducted by Seiji Ozawa and directed by Georges Wilson, and performances of Beethoven's "Seventin Symphony" and Schubert's "Unfinished Symphony."

### ward von Hildesheim and the Time of

Barcelona Sacceona Fundació Joan Miró (tel: 329.1908). To Sept. 10: "Joan Miró 1893-1993." Features 180 paintings and 300 drawings produced between 1914 and 1980. Miro's artistic development can be followed from the in-fluence of the Cubists and the Fauves to his Surrealist period, and his quest for new means of expression through collage and assemblege.

### UNITED STATES

New York Museum for African Art (tel: 966 13 13). To Sept. 28: "Home and the World: Architectural Sculpture by World: Architectural sculpture by Aboudramene and Bodys leek Kingelez." Fourteen small sculptures of imaginary buildings: miniature clay huts with low doorways, rounded windows and thatched roofs by lvory Whitevers and ballatine from Sty Wory
Coast artist Aboudramane and colorfut cardboard skyscrapers and buildings made from recycled office supplies by Bodys Isak Kingelez, from
Zairo

Museum of Modern Art (tel: 708.94.00). To Sept. 28: "Pastimes in Prints." An exhibition exploring leisure-time activities in printed art from the tate 19th century through the 1950s. It includes prints by such French artists as Vilton, Vallotton, and Vuillard, for whom pastimes like parts cheese or checkers was subcards, chess, or checkers were sub-ject matter.

### For more than a century and a half, Patek Philippe has been known as the finest watch in the world. The reason is very simple. It is made differently. It is made using skills and techniques that others have lost or forgotten. It is made with attention to detail very few people would notice. It is made, we have to admit, with a total disregard for time. If



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THE LETTERS OF WILLIAM BURROUGHS,

1945-1959 Edited by Oliver Harris, 472 pages. \$25. Viking.

ILLIAM BURROUGHS: l Hombre Invisible

by Barry Miles. 263 pages. \$22.95. Hyperion. Reviewed by

Steven Moore L INGUA FRANCA reports that heroin has returned as the drng of choice at some Ivy League colleges. "A lot of it has to do with having icons," explains a junkie at Beanington. "If you belong to a certain class or crowd, your hero might be Madonna. But if you're tuned into any subcultural, artistic

thing you're into Lenny Bruce, Bil-lie Holiday, William Burroughs." Although he turns 80 next Febnary, Burroughs remains an icon for many younger writers, musi-cians, artists and, unfortunately,

dilettante druggies.

Many of these admirers are unwany of faces animers are many of faces animers are that Burroughs's most family as novel. "Naked Lunch," is a distribe against addiction of all kinds, as Burroughs explains again and again in the jetters gathered by Oliver Harris into a handsome volume. "Naked Lunch" depicts junk

je sickness, and Burroughs made it as disgusting as he could to drive his point home.

Barroughs has been influential in Burroughs has been influential in more positive ways, as Barry Miles shows in his new biography. In the '60s and '70s, several rock groups took their names from titles or phrases in his books. The postapocatyptic settings of some of his novels influenced movies like the "Mad Max" series, and so-called cyberpunk fiction is indebted to him. His sayle is reflected in younger writers. style is reflected in younger writers like Kathy Acker, Lauren Fairbanks, Mark Leyner and William T. Vollmann, and some of the more tasteless sketches on television shows like Saturday Night Live and The Edge can be traced back to Burrough's "routines."

Despite his addiction and loneli-ness, Burroughs is an entertaining

Sir Peter Ustinov is reading the manuscript of Sheridan Morley's

manuscript of Sheridan Mosey's biography, "Robert My Father," to be published in London Sept. 12. "I am reading it slowly, not because I wished to drag out the pleasure. Robert himself might have

observed that vintage port is not drank in order to quench the thirst."

(Mary Blume, IHT)

correspondent, largely because the letters are written in the same trademark style used in his novels, which Miles accurately describes as a "mixture of institer-junkle jargon with WASP articulation, the hip talk mixed with the formal lan-

guage of Harvard, compounded by a light camp overtone.

The letters are helpfully annotated and are preceded by an insightful introduction.

Miles's biography is great for the general reader, but deficient for the scholar. It doesn't have footnote one, and the bibliography lists only Burroughs's own work, so it isn't clear where the innumerable quotations from Burroughs and his friends come from saide from con-versations with Miles over the years. On the other hand, Miles has been a friend and hibliographer of

his subject for 30 years.

Miles offers brief but alert readings of all the works and uses his bibliographer's expertise to note differences in editions ("The Soft Machine" exists in three different versions) and to give valuable back-ground information. Two versions of "The Place of Dead Roads" were offered to Barroughs's publisher, for example: a "poetic" one and a more straightforward, "commercial" one; the latter is the one that was published, unfortunately. Miles also brings us up-to-date on the latest phase in Burroughs's ca-

David Cronenberg's recent film

adaptation of "Naked Lunch"

brought Burroughs to the attention of the MTV generation, and it is to be hoped that they will seek out his books rather than their neighbor-hood pusher. The best are dense prose poems mixing brutal lyricism with outrageous humor, and display a healthy skepticism toward arrogant authority and repressive respectability. Burrough's libertar-ianism, misogyny and general mis-anthropy are hardly PC, and his novels are filled with the unsafest sex you've ever read; but these are shock tactics against mindless con-formity, not recipes for living, and these two books are invaluable for understanding those tactics.

Steven Moore, senior editor of the Review of Contemporary Flction, wrote this for The Washington Post.



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Propagation with the control of the

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International Herald Tribune, Friday, August 27, 1993



International Herald Tribune World Stock Index o, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The Index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, Franca, Germany, Hong, Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed

countries, the ten top t	stocks are tracked.			
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### **WALL STREET WATCH**

### **Airline Stocks Enjoying** A Late-Summer Updraft

By Adam Bryant

somewhere — anywhere that's cooler — is the stuff of daydreams. So maybe it was in pursuit of a vicarious vacation that deskbound investors loaded up on airline

stocks in recent days.

Another and perhaps better explanation for the modest rally begins with the fact that in this record-setting market, otherwise small blips on Wall Street's radar screen can loom large, particularly for fund managers looking for direction as they move into more

cyclical stocks.

A lot of people are looking. Investors like the for a place to go, said Ray industry's cost and fare mond E. Neidl, airline analyst at industry's cost and fare

What investors are finding is an industry operating with low oil prices, higher fares and con-

tinuing cuts in excess capacity. There is optimism about United Airlines plan either to restructure or consider a buyout offer from its unions. And on Wednesday, Paul Karos, an analyst at First Boston, upgraded Delta Air Lines to a buy recommendation after seeing some promising action at a carrier that has long issued more

seeing some promising action at a carrier that has long issued more than its share of bad news.

As a result, stocks of the Big Three helped push the market to new highs Wednesday. In New York Stock Exchange trading, Delta closed up \$2.25 a share at \$55.50. AMR, American's parent, jumped \$1.75 to \$67.625. And United's parent, UAL, rose \$2.75 a share to \$149.125. By Thursday's close, Delta had slipped back to \$55, AMR had subsided to \$67.25 and UAL had fallen a full \$4 to \$145.125.

Mr. Karos apparently helped make Delta the leader in Wednesday's updraft. He noted that the Atlanta-based carrier had signaled it was serious about healing itself by birthy McKinsey & Co. to

day's updraft. He noted that the Atlanta-based carrier has signated it was serious about healing itself by hiring McKinsey & Co., to study its European operations. Sizable cuts are expected for that division in the next several months, he wrote.

Europe has been a sore point since Delta acquired Pan Am's remaining routes in August 1991. Overall, its European operations have lost roughly \$750 million over the last 18 months.

Delta has also exceeded some of its goals. It planned, for example, to cut \$375 million in experises in the year to June, and went \$2 million better. In the next two years, it plans to cut \$323 million more. During the last year, it has reduced its work force by 7.7 percent. It exacted a 5 percent pay cut from all employees except its pilots.

And earlier this week it announced an early-retirement program that holds the potential for noteworthy savings. The older and better-paid employees who would be enticed by the offer could reduce payrolls more sharply than at United or America, where

union rules would force the most junior employees out.

### VW Offices Searched in López Case

By Rick Atkinson

Washington Post Service
BERLIN - Agents of government prosecutors went through the headquarters of Volkswagen AG in Wolfsburg with a search warrant Thursday to look for documents belonging to the rival carmaker General Motors Corp. and its Ger-man subsidiary, Adam Opel AG. No results of the search were

fice in Darmstadt, which for four months has been investigating alle-gations that the VW production chief, José Ignacio López de Arriortua, and several associates took left their jobs at GM in March.

But the dramatic operation, con-ducted by about 40 law-enforce ment officials and starting at 7:30 A.M., further raised the profile of a corporate espionage case that has transfixed the auto industry. GM alleges that 10,000 pages of documents, as well as computer disks containing sensitive marketing and design information, were taken from Mr. Lopez's former office

about the time he left the company. "In the investigation against Lo-pez and others, the Darmstadt public prosecutor's office carried out simultaneous searches at a total of eight sites, partly at offices and partly at private residences, on the basis of a search warrant [signed] by a judge," George Nauth, a pros-

VW said prosecutors, accompanied by members of the carmaker's legal staff, had searched Mr. Lopez's office, rooms in the company's purchasing department, VW's management institute in Braunschweig, private residences and the company's gnesthouse in Wolfs-burg Mr. Lopez was said to have continued working in his office during the search.

A VW spokesman, Hans Peter Blechinger, told Reuters that the

See LOPEZ, Page 13

### Japan Inc. Bucks the Odds But Squeeze on Profit Is Causing Pain

International Herald Tribune TOKYO - If times are so hard for Japan's largest companies, why are most still making piles of money?

Despite the recession and soaring yen, blue-chip compa-nies like Sony, Matsushita Electric and Toyota have figured out how to stay profitable - without resorting to the mass layoffs or buyouts that are so common in the United States and Europe.

Their success reflects several management strategies: currency bedges, aggressive selling in the United States and Asia where economies are growing, squeez-ing suppliers for lower prices and cutting overtime. But not everyone is so straightforward: Some

Renault's half-year profit plunged, but its partner, Volvo, reported a turnaround. Page 13.

companies are padding results with asset sales.

Yet analysts warn that the strategies used so far are reaching their natural limits. So if the yen remains high and the domestic economy stays stuck in low gear, more of Japan's exporters will slip into the red this year. A growing number of companies, especially small and mediumsized concerns, will have little choice but to consider the onthinkable: outright layoffs or

bankruptcy. "Few major companies have gotten to the point of making layoffs," said Tatsuya Mizuno, senior analyst at Moody's Japan KK, "But from now on this will be an issue if current conditions

Not all are doing so well. Fu-itsu Ltd., Nissan Motor Co, and Minolta Camera Co., among others, have already slipped into the red. Even mighty Toyota, Japan's Glants Shift the Burden.

Strategies used to compensate for erosion of emport dankings

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Reducing number of products

of Japanese automakers, warned of losses should the yen rise further. On Thursday, NEC Corp. can its forecast for current profit in the year through next March to 30 billion yen (\$290 million), down from the 50 hillion figure posted last May.

On balance, though, the hlows to earnings at the country's higgest exporters have been less than expected.

Matsushita Electric Industrial Co., the maker of the Panasonic and Technic brands that is the world's biggest consumer-elec-tronics company, said group pre-tax profit slipped just 7 percent, to 33.7 billion yen, in the quarter ended June 30. And Toyota, Japan's biggest automaker, reported that group net income slumped 25.8 percent in the year ended June 30, although that still left a sum of \$1.65 hillion.

In some cases, pain has been softened by growth in the United States and Asia, markets which take two-thirds of Japan's exports. Although the yen has forced Japanese exporters to raise prices at the expense of market share, the impact has been mitigated because the markets have been expanding.

In addition, many Japanese products -- from color copiers to

corders — are also so dominant in their markets that there is little alternative to buying Japanese, even at higher prices.
These companies, which sit at

the top of the Japanese industrial hierarchy, also force suppliers lower down in the pecking order in slash prices to the point of unprofitability.

These are the Triple A of Ja-nan," said Jesper Koll, economist at S.G. Warburg. They can squeeze domestic suppliers like

Skillful currency hedging has allowed many companies to soft-en the impact of the strong yen - at least so far. By hedging the yen against the dollar, Matsu-shita, Sony and other companies have actually boosted pretax profit. Profit at Toyota, which is expressed in yen, would have declined more if not for the company's decision to hedge the yen at 120 to the dollar.

Ryuji Araki, a Toyota director charge of finance, declined to specify the amounts earned through hedging. But he did say they were "huge" and the largest in recent years.

Yet the day of yen reckoning must come. Companies typically hedge half their overseas currency exposure six months ahead, so the pinch should come in the coming months if the yen re-

Other companies have padded earnings by selling land or secu-rities. But this strategy, like currency hedging, cannot continue

"There have been quite a lot of sales of assets to make sure the bottom line stays in the hlack." said Chuck Goto, an analyst at S.G. Warhurg. "But this can't go on too long. At some point you See PROFIT, Page 15

### **Mark Benefits** From Caution Of Bundesbank

Compiled by Our Staff From Unspatches LONDON - The German central bank's strict attention to light-ing inflation benefited the Deutsche mark on Thursday, as investors flocked to the currency after the Bundesbank maintained its key interest rates.
The dollar was a prime casualty

of the Bundeshank's intransi-gence falling to 1.6846 DM from the Wednesday close of 1.6930. Later in New York, the dollar slumped further, to 1.6652 DM,

down from 1.6840.

The pound, however, strengthened, rising to 2.5155 DM from 2.5035 in London on rumors that a report on the British economy from the Confederation of British Industry to be released early Friday would be bullish.

Also boosting sterling were ru-mors that Middle East investors were huying it for gold, which was

Surprising the market, the Bundesbank remained rigid in its credit stance after returning from summer vacation. The market had been expecting its council to reduce the discount rate by up to half a percentage point from its current level of 6.75 percent. The discount loans that are hacked by governrate, the floor for Germany moneymarket interest charges, is charged on a limited number of Bundeshank loans to commercial banks.

Many people "are now expecting a rate cut on Sept. 9," at the central bank's next council meeting, said manager at Commercial Bank in New York. What happened today is that some people got ahead of

In the meantime, short-term German rates are likely to remain at least at their current levels, supporting the mark. Many analysis had expected the discount rate cut because the rate on 28-day repurchase agreements is 6.80 percent, barely above the discount rate.

The Bundesbank likes to guide money-market rates between the discount and the Lombard rate, currently 7.75 percent, using the repo rate to indicate its preferred level. All three rates are charged on

### Stock Investors Unconcerned

Compiled by Our Staff From Dispatches PARIS — Investors, over-looking the Bundesbank's decision to keep its interest rates at what are considered high levels bid French stock prices up to

record highs on Thursday.

The CAC-40 index rose 14.30 points, or 0.6 percent, to 2,173.61, on the assumption that other European countries would soon reduce interest rates with or without the Bundesbank, now that the European Community's currency grid has been loosened.

The European componen of the International Herald Trihune World Stock Index rose 0.57 percent, to 105.01. In London, the Financial Times-Stock Exchange 100share index was unchanged at 3,079.2, also a record.

ment securities posted by the banks as collateral.

lan Gunner, economist at Chase Investment Bank, said the Bundesbank's inaction gave it almost no room for a repo easing before the bank's next council meeting, said Sept. 9 council meeting. Indeed, Marcos Douer, foreign-exchange given the recent firmness in German interbank call rates, it is even possible the repo rate could edge higher next week.

Although Germany's high interest rates are dangerous at a time of recession, the country is borrowing money to pay for the rebuilding of

cy forced a significant loosening of the European Monetary System early this month. While Germany is fighting inflation that is largely a consequence of its unification, the high rates that had been required to keep most European Community

See MARK, Page 12

### Warner Looks to Join the Network Crowd

By John Lippman

Los Angeles Times Service
LOS ANGELES — Warner Brothers, the Hollywood studio owned by Time Warner Inc., plans to launch a fifth TV network to compete with ABC, CBS, NBC and Fox, knowledgeable

sources have said. The new network would be built on a nationwide foundation of local broadcast and cable systems, the sources said. It would be the first to take advantage of the convergence of broad-cast and cable television, which until recently have been in fierce competition.

Warner Bros. has recruited Jamie Kellner, former president of Rupert Murdoch's Fox Broadcasting Co., to bead the project, which could cost as much as \$2 billion to launch. Mr. Kellner was instrumental in the launch of Fox's network, the fourth. He resigned earlier this year to start his own business.

Warner's move comes as broadcasters and entertainment companies are grappling with ways to compete in the coming 500-channel TV universe, which threatens the already shrinking audience of the traditional networks. Rapid changes in technology and programming eco-nomics are bringing together movic studios, cable operators and broadcasters to form new "hybrid" networks that would appear on both cable and over-the-air TV.

In the last several months, companies as wide ranging as Paramount Communications, Chris-Craft Industries and QVC Networks have dis-

cussed similar plans.

Mr. Kellner and Warner declined to comment Wednesday, but sources said the new network's programming would be drawn from

Warner's large film and television bbraries. The studio's stable of writers and producers might

also contribute new programming.

According to people familiar with the plan,
Warner Brothers bopes to pull together a nationwide distribution system consisting of both local TV stations and cable systems. Typically, broadcast networks have relied solely on broadcast TV stations to serve as local affiliates.

### TF1 Plans News Channel

PARIS — France's leading television station, TF1, said Thursday that it would launch the country's first all-news channel next year.

Etienne Mougeotte, managing director of the privately owned television station, was quoted as saying in an interview with the Figaro news-paper that the channel would carry French-language news updates every 15 minutes. It will also have "talk shows like on CNN." he said, referring to Cable News Network. The French news station will broadcast via cahle

and satellite, he said. Mr. Mougeotte said TFI would be the channel's sole operator, although it would consider cooperating with the French pay-television net-work Canal Plus. TFI and Canal Plus jointly

work Canal Plus. TFI and Canal Plus jointly operate the all-sports station Eurosport. The TFI chief was scathing about a potential competitor, Euronews, an all-news cooperative that uses footage from a number of European government-owned channels. Asserting that Euronews had "failed," he said this proved that there was no "European reality" in broadcasting.

Cable is now widespread enough in many cities to ensure viewership that will attract sufficient advertising support, Warner believes. But people familiar with the plan say there are several obstacles. They range from getting enough independent stations to affiliate with the new network to attracting the support of cable systems run by Time Warner competitors.

"This has only a 50-50 chance of succeeding," one executive cautioned. In addition, it is not clear how the new Warner network will be able to distinguish itself in the flood of existing channels and additional networks due to debut. One other factor driving Warner's decision to

launch a network is a concern among studio executives that ABC, CBS, NBC and Fox will buy less studio-supplied programming as they begin to produce more of their own shows. Warner Brothers is the only major studio that does not have a cable channel or TV network to does not have a cable channel or I V network to serve as an outlet for its programming. Fox owns the fourth network, FBC, while Paramount and MCA jointly own the cable channel USA Network and Columbia is planning to launch a new, interactive cable TV game show channel. Disney owns TV station KCAL-TV in

Los Angeles and is frequently rumored to be interested in huying a hroadcast network.

According to people familiar with the conversations, Mr. Kellner and two Warner Brothers executives, Barry Meyer and John Schul-man, made proposals this week in Paramount Communications, Chris-Craft Industries and Combined Communications, all owners of TVstation groups that would serve as anchors for the new network. They were joined by Time Warner Inc.'s chief executive, Gerald Levin.

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Herald Eribune.

### Russia Pays to Keep Joblessness Down

By Lee Hockstader Washington Post Service
MOSCOW — It's midday at the
Maryina Roscha neighborhood unemployment center in downtown Moscow, and you could hear a pin

sclor. Business is also singgish at the capital's 33 other branch employment offices: In the Taganskoe district, only 12 job-seekers were registered all last year, the newspaper Segodnya reported.

were forced into hankrupicy. "The deep unemployment crisis," said Jeffrey Sachs, the Harvard economist who is advising the Russian government. "It's a country with a line in 1991 in a newspaper opposed to the new Russian system.

But to date the hearth of unemployment crisis," said Jeffrey Sachs, the Harvard economist who is advising the Russian government. "It's a country with a deep inflation crisis." The central country with a deep inflation crisis." The central country with a deep inflation crisis.

In the dim narrow corridor out-side the director's office, just four hushed supplicants sit shoulder-towarned that capitalism would cost millions of Russians their jobs as droves of inefficient businesses shoulder waiting to see a job coun-

Western economists, hard-line Communists and othera bave

But to date, the breath of unem-

This is not a country with a deep unemployment crisis. It's a country with a deep inflation crisis.'

### **CURRENCY & INTEREST RATES**

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say, is that jobs are being sustained artificially by the easy credit of P.M. Cross
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AMBRIT Literatury by the casty credit offered to businesses by the central bank. Unless bloated payrolls are cut and outmoded businesses are allowed to fail — in other words, force suffers a transmission — 478

AMBRIT Commercial Control of the -470 matic jolt - the president's re-U.S. delters per ounce. Lendon official fix-ings; Zurich and New York agening and clos-ing prices; New York Cornex (Oct.)

means one less headache for President Boris N. Yeltsin, who already has his hands full with soating inflation, slumping production, a battle with Parliament and widespread public discontent.

forms will not really begin to work,

ployment seems scarcely a wheeze. As statistics and visits to unemployment centers here attest, massive johlessness is one misery that Russia has been spared so far. Politically, the jobs pieture

Jeffrey Sachs, adviser to

the Russian government

The problem, many economists

This is not a country with a

Mr. Yeltsin is willing to risk the political consequences of soaring unemployment in the midst of his fight with Parliament over reforms. Nor is it certain how the Russian people, already hurt by higher prices and shrinking buying power, would react to a wave of layoffs after nearly eight decades of practi-cally guaranteed employment. "The problem is a political one,"

credits has been a major contribu-

tor to the inflation rate of around

It is not clear, however, whether

20 percent a month.

a think tank led by former Prime Minister Yegor T. Gaidar. "If the policy is resolved as it should be, it would be used" by Mr. Yeltsin's enemies to undermine reforms. According to government statis-tics, just 988,000 people — less than 2 percent of the national labor force - were unemployed last month, the lowest figure recorded

said Screei Zhuravlev of the Institute for the Economy in Transition.

this year, In Moscow, a city of 12 million, city officials list only 70,000 job vacancies, most of them for bluecollar factory positions. At the central employment headquarters, the notices from enterprises that are hiring stretch the length of a wall in the lobby, like a mural. In addition to the state employment office, a private job exchange advertises

See RUSSIA, Page 13

Dow Jones Averages

Low

**EUROPEAN FUTURES** 

### **Bond Yields Fall** To Another Record

NEW YORK - Bond prices slow economic activity and investors' flight from low-yielding short-

Stock prices, undercut by profittaking after the market's move into record territory in August, surren-dered a little ground. The Dow

### N.Y. Stocks

Jones industrial average was burt by a decline in Philip Morris Cos. and lost 3.91 points to 3,648.91. The Nasdaq Combined Composite Index fell 2.27 to 731.39, led by

declines in computer-networking and software stocks such as Novell Inc., Microsoft Corp., Oracle Systems Corp. and Cisco Systems Inc. Advancing common stocks on the New York Stock Exchange nar-

rowly led decliners. Trading on the Big Board was active with 247.8 million shares changing hands.
The bellwether 30-year Treasury bond gained 1 4/32 points Thursday to yield 6.09 percent, yet another record after Wednesday's

6.17 percent. Bonds rose further after the Labor Department reported a bigger-than-expected rise in jobless claims in the week ended Aug. 21.

scribed the buying as "relentless."
The yield on the two-year note is soared ever higher Thursday on the 3.83 percent. For individual inveswings of a powerful rally fueled by tors, "that's just not an acceptable return," said Robert Bluestone, fixed-income investments at Oppenheimer Capital.

Ackerman, executive vice president

Reich & Co. Philip Morris was the most active stock on the NYSE, dropping % to 48 after the tobacco and food com-

ware reported lower-than-expected quarterly earnings late Wednesday.

The drop in Novell triggered declines in other companies in the networking industry.

ucts for computer networking, dropped 2% to 50%.

### MARK: Gains From Steady Rates

Continued from Page I1 currencies locked within 2.25 percent of central values against the mark proved too costly for all of the

countries except the Netherlands. Largely because of pressure on the French franc, the ERM fluctuation bands were loosened to 15 per-

### Foreign Exchange

cent, except for the guilder and the mark, which remain in the 2.25 per-cent bands around their old central rates. Thursday's inaction pushed the mark up in the EMS, and it rose to 3.4990 francs from 3.4723. Under the old system, the mark's ceiling said. The active December gold had been 3.4305 francs. had been 3.4305 francs.

managing director and head of Over time, the low rates give stocks an upward bias, said Alan

pany surprised investors Wednesday by leaving its quarterly dividend unchanged at 65 cents a share.

Novell fell 21/s to 19/s after the largest maker of networking soft-

SynOptics Communications Inc. fell 1% to 29% and Cisco Systems, which makes hubs and other prod-

Oracle Systems, the largest maker of relational database software, dropped 4% to 50% after a Montgomery Securities analyst lowered his ratings on the stock to "hold" from "buy." Sybase Inc., also down-Charles Lieberman, a managing graded, was 6 points lower at 60.

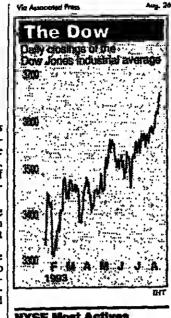
(Knight-Ridder, Renders, AFX) (Knight-Ridder, Reuters, AFX)

at 104,350 at the end of trading down from 105,000. The Bank of Japan had intervened in the currency markets to keep the dollar above 105 yen early in the day, The pound rose to \$1.5125 from \$1.4826 in 1

\$1.4820 in London and later was at \$1.5100, up from \$1.4815 in New York, Amy Smith, currency analyst at IDEA in New York, said the reason was that Middle East investors were balling out of gold.
"Gold is down about \$5 or \$6 on
sentiment that global inflation is
waning, and for Middle Eastern investors, it's traditional in this cir-

Besides suffering against the change in New York ended down mark, the dollar fell to 104.505 yea. \$4.70, at \$370.80 an ounce. (Knight-Ridder, Reuters, AFX)

cumstance to go into sterling," she



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Amex Diary

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N.Y.S.E. Odd-Lot Trading

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Financial

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United Pilots Propose Major Pay Cuts CHICAGO (Reuters) - The union of pilots at United Airlines, the

CHICAGO (Reuters) — The union of pilots at United Airlines, the second-largest U.S. carrier, said Thursday in a letter to members that workers would consider taking a \$3.35 billion cut in labor costs over five years in a deal to give workers a majority stake in the company. The cost cuts would be shouldered by the airline's pilots, flight attendants, machinists, nonunion workers and management employees, attendants, machinists, nonunion workers and management employees. The size of the potential cuts was disclosed in a letter from Roger Hall, who is chairman of the United branch of the Air Line Pilots Association, to union members. The letter did not disclose how large a majority stake the coalition sought.

### Delta Proceeds With Pilot Layoffs

ATLANTA (Bloomberg) — Delta Air Lines, the third-largest U.S. carrier, kept to its plan to lay off 600 pilots by early next year, saying Thursday that it would ground 51 pilots in October and an additional 151 in November 2015.

The cuts would bring to 407 the number of pilots fired since June 1. The layoffs are part of Delta's plan to trim 600 positions, about 6 percent of its pilots, in a quest to snap a two-and-a-half-year, \$1.2 billion losing streak.

Delta has slashed 6,200 jobs, or 7.7 percent of its staff, since May 1992.

### U.S. Jobless Data Show Weekly Rise

WASHINGTON (AP) - The number of Americans filing first-time claims for jobless benefits rose by 8,000 last week, the first increase in four weeks, the government said Thursday. But the less volatile four-week moving average of jobless claims, which analysts prefer to track because it moves accurately reflects the labor simution, fell to the lowest level in

more accurately reflects the labor simulation, real to the reverse treatly four years.

The Labor Day of said new applications for unemployment insurance totaled 332,000 during the week ended Ang. 21, up from a revised 324,000 during the week ended Ang. 14.

Many economists had predicted in advance of the report that claims would be up slightly last week. The previous increase occurred during the week ended July 24, when claims jumped 43,000 to 395,000 after General Motors temposarily laid off workers while its plants were retooled for 1994 models.

### Steel Union Asks Action on Imports

WASHINGTON (Bloomberg) — The United Steelworkers of America and two U.S. specialty steelmakers said Thursday they had asked the U.S. government to impose dimes on imports of some steel from Italy and

The imion, along with Allegheny Ludhum Corp. and Armoo Inc., said imports of certain types of steel from the two countries were being infairly priced and subsidized, and were undermining the U.S. manufacturers. The complaint involves steel used in electrical devices such as transformers and generators.

The U.S. Commerce Department and the International Trade Commission said they would examine the charges. The ITC has 45 days to make a preliminary finding of whether the U.S. industry is being threatened, while the Commerce Department will determine if U.S. laws

### For the Record

Frans World Addings said a streamlining plan launched last Willer helped narrow its loss by 71 percent, to \$31 million, in the second quarter,

Eighead Software Inc., the U.S. retailer, said intense competition and price cutting had caused a loss of \$2.02 million in the first quarter, its first quarterly loss in nearly three years, and forced the resignation of Timothy E. Tumpangh, the chief executive was:

(Bloomberg)

Sprint Corp. said its long distance division would eliminate 1,000 positions, or 5 percent of its work force, by the end of the year with the emphasis on upper management positions.

(Renders)

Novell Inc. said its operating profit in the third quarter slipped 6 percent, to \$62 million, as expenses at four recently acquired companies outstripped revenue. (Bloomberg) outsuipped revenue.

### RATES: Bundesbank Focuses on Inflation, Declines to Cut Discount Rate

and is even more so afterward, said Jean-Jacques Rosa, an economics professor at the Institute of Political Studies in Paris.

Economists who were not expecting a Ger man rate cut so soon, meanwhile, said the Bundesbank had good reason to hesitate.

West German inflation — running at 4.2 percent annually in August, according to preliminary figures published Thursday — is still too high for the Bundesbank's liking.

Goldman, Sachs & Co., in a recent economic

WORLD STOCK MARKETS

report, said inflation's current decline, from a peak of only 4.8 percent in March 1992, was the slowest on record in a time of recession.

But more important, they said, the relaxation of Europe's currency grid as a result of last month's crisis removed most of the pressure on the Bunderhank to cut rates gridth.

the Bundesbank to cut rates quickly.

A bout of speculation against the French franc and other currencies in late July led to a decision at the start of this month to allow most of the European Monetary System's currencies to fluctuate by 15 percent either side of their

S&P 100 Index Options

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Some economists, recalling that the Bundes-bank's refusal on July 29 to cut its discount rate was the precipitating factor in that currency crisis, said the Bundesbank was reluctant to reverse that stance in the absence of any clear

Toronto

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### All Uphill for Chemicals Slow Recovery Seen for Bayer and BASF

state, and thousands of larger ones

Rat while there is anecdotal evi-

dence that some small shops and

businesses under private ownership

agement, at larger enterprises the

rules of the game appear largely

Alexander Ozhegov, an economist who studies defense conver-

sion recalled meeting a group of

factory directors last year in the

southern city of Samara. Orders for the factories' goods were in a

shump, and production was off sharply. With plans being made to

shift the factories to private ownership, Mr. Ozhegov asked one of the directors if he planned to trim his

"He said, I'm ready to fire half

For the workers, though, staying

wages are shrinking for many. At

least a fourth of all Russian firms

have underpaid or skipped pay-

ng as earning a steady in-

my workers — just as soon as he does!" Mr. Ozbegov said. "And he

work force to cut costs.

LONDON - Half-year earnings at the German

chemical companies Bayer AG and BASF AG were hit by the recession in Europe, and any recovery will be slow, industry analysis said Thursday.

BASF said first-half group pretax profit fell by just over half, to 483 million Deutsche marks (\$286.7 million), from 972 million DM a year-cartier. Group sales dropped 6.8 percent, to 22.04 billion DM from 32.65 million DM from 23.65 billion DM.

Bayer announced a 19.6 percent drop in-group pretax profit, to 1.41 billion DM from 1.75 billion DM. Sales fell 5.3 percent; to 21.005 billion DM from 22.185 billion DM.

BASF said its second half would not show much improvement, although third-quarter results might be about even with the "very insatisfactory" year-earlier figures. It said it expected business to revive slowly in 1994 and more briskly in 1995.

Neill Morton, a chemicals analyst at NatWest Securities, characterized BASF's results as "below expectations" and at "the bottom end of the range."

Thomas Schiessle, an analyst at Berliner Handels-& Frankfurter Bank in Frankfort, said BASF's balf-year earnings were hit by adverse exchange rates, altho-Bayer was able to profit from the strength of the year.
Bayer's sales in Asia and Africa rose 9.9 percent, to 2.27 billion DM, in the first half and accounted for 10.8 percent of its total sales. BASF reported a 3.7 percent drop in sales in Asia, Australia and Africa.

Bayer's products become more competitive if the yen strengthens against the mark, because that makes them cheaper than their Japanese rivals.

ployment rate was in the old Soviet are beginning to tighten their man-Union did we have a figure that agement, at larger enterprises the

But so far, not a single Russian pointed at the next director."

Economists are concerned that on the payroll is not necessarily the

Thousands of smaller companies ments to their employees in the

sale of previously state owned en come. While jobs are preserved

same thi

unchanged.

Continued from Page 11

ers find new positions in offices,

tried to estimate what the unem-

was so low," said a Western labor

specialist here. "People are basical-

ly holding onto their work force."

ers to the government caution that

the job crunch may yet hit Russia.

Some forecasts warn that the num-

ber of jobless may jump to 5 mil-lion by the end of the year, espe-cially if the central bank rightens

up on the cheap loans and credits that are keeping otherwise insol-

A few enterprises and institutes,

especially these linked to defense

industries, have begun to shrink

company has declared bankruptcy.

even privatization - the massive

terprises to workers, managers and

private investors — is not changing, the way some businesses behave.

vent companies afloat.

their work forces.

Employment officials and advis-

Never in all the time that we

institutes and laboratories.

BASF, however, does more than half of its business in Europe, where the strength of the mark against

other currencies hurt its products. Although Bayer also has a considerable European resence, it fared better than BASF because it is more active in the pharmaceuticals sector, where profit margins are high and product performance is less rable to economic cycles, Mr. Schiessie said. BASF said further job cuts were on the agenda. Its chief executive, Jürgen Strube, said 4,000 more jobs would be trimmed next year, after a similar number

Bayer's group work force was cut to 153,700 at the end of the first half, from 160,800, and the parent company's work force was trimmed to 56,715 from 60,131. Group staff costs were cut by 3.9 percent and

parent-company costs by 7.9 percent. Bayer said it would cut its investment spending in 1993 to 3.1 billion DM, from 3.3 billion DM originally (Bloomberg, Revters)

The tiremaker Continental AG posted a 74 percent decline in first-half net income but said it expected to

remain profitable this year, Bloomberg Business News reported from Hannover.

"For the full year 1993, Continental still expects group figures to be in the black," the company said in

It said first-half net profit fell to 31.3 million DM from 118.7 million DM a year earlier, a result of falling prices, declining sales to the European car industry and slumps in other sectors such as mechanical engineering, mining and defense.

cerned," she said.

possible '

RUSSIA: Jobs Aplenty, at a Price Heineken Recalls Dangerous Bottles

AMSTERDAM - Heineken NV, the world's sec-

ond-largest brewer, said Thursday it was destroying millions of its characteristic green Export beer bottles

after finding glass splinters in some.

A Heineken spokeswoman, Annemiek Louwers.

said the company would destroy a total of 17 million

bottles and must recall around 3.5 million from seven

countries. About 1 percent of the 17 million with-

· Ms. Louwers said the operation would involve "a

considerable amount of money" but could not specify

Beer bottles are being withdrawn from Britain.

how much. "We will destroy all the bottles con-

drawn may contain splinters, she said.

### BNP Lifts **Provisions** By 41.6%

PARIS - Banque Nationale de Paris said Thursday it had increased its provision for bad loans by 41.6 percent to 5.82 billion francs (\$992 million) in the first half, as France's recession hit many of the stateowned bank's customers

The bank, to be sold to the public this fall, said that the dramatic increase in provisions reflected in particular the difficulties faced by small-

This was a major factor in a drop of 60 percent in BNP's first-ball net profit, to 522 million francs. Net income from banking activities rose 8.77 percent, to 21.23 biflion francs, fargely due to growth in investment banking. Meanwhile, IBCA, the Eu-

ropean credit-rating agency, said it had downgraded the credit ratings of BNP. Credit Lyonnais and Banque Paribas. The agency pointed to the high level of provisions as a major reason for the downgrade in

### Renault Slumps, **But Volvo Swings Back Into Profit**

Compiled by Char Stati From Dispatcher PARIS - Renault's profit slumped in the first half of the year, the French vehicle maker said Thursday, but its partner. Volvo of

turnaround. Renault reported that its pretax profit had plunged to 730 million francs (\$124.8 million) in the six months to June 30, from 5.44 billion a vear earlier. Revenue, undercut by the severe decline in the European market for trucks and cars, fell 8.4

percent to 87.11 billion francs. Renault said that in the second half, profit and sales would suffer further from "the strongly negative impact of a very unfavorable economic environment.

The European car market dropped f7.2 percent in the first half and the truck market 26 percent, depressing Renault's operating profit to 863 million francs from 5.504 billion a year earlier.

Net financial charges declined to 155 million francs from 457 million. Renault said this improve-

Sweden, Hungary, Hong Kong, Israel, Finland and

Austria. The company said exports to the United States and the rest of its beer range were unaffected. Heineken Export beer is brewed and bottled in the

"The big question is not the f percent of exports

Netherlands and sold in more than 150 countries.

over the fast two weeks, it is confidence in the short

term," said Michael Oertli, an investment analyst at UBS in London.

Heineken said the splinters were caused by defec-

tive glass used to make the export bottles, but ruled

The announcement came after the close of the

Amsterdam Stock Exchange, where Heineken shares closed down 2.00 guilders at 185.20 (\$97.50).

out any question of sabotage or foul play.

### ment was due to its efforts at reduc-

ing its debt level in 1992. But it said exceptional charges had risen to 603 million francs from 6 million, essentially because Sweden, announced a surprising of restructuring costs in its car

operations. There has been persistent speculation in the Paris press that a merger of Volvo and Renault. which have substantial cross-shareholdings, will be announced as early as next month. But a Volvo statement in Stockholm on Thursday said only that the "alliance with Renault is developing well."

The Volvo parent company said it had achieved a profit before taxes and minority interests, of 380 million kronor (\$47 million) for the first six months of 1993, reversing a foss of f03 million kronor a year earlier.

Financial analysis had expected a loss of around 300 million kronor, and Volvo's stock rose 8 kronor to close at 454.

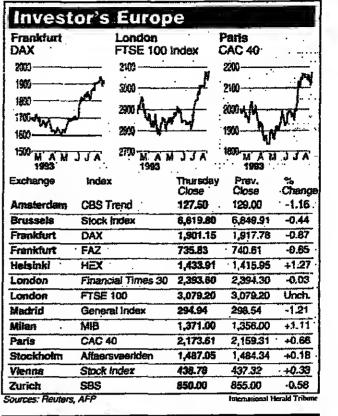
Volvo said cost-cutting and ranonalization in its production units and lower costs for development helped earnings in the first half. Revenue in the first half rose

18.4 percent to 49 hillion kroner. Despite Volvo's turnaround, Renault said the contribution to its pretax profit from its stake in Volvo and units remained negative. at 277 million francs, after a nega-

tive 307 million a year earlier. Renault consolidates 25 percent of Volvo Car Corp.'s pretax results, 45 percent of Volvo Truck Corp.

and 8.24 percent of Volvo AB. Renault said that the negative impact on its accounts from Volvo was almost entirely in the first quarter, falling to a negative 39 llion in the second quarter. Neither company broke down

the negative contribution, (AFX, Reuters, Bloomberg,



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### Very briefly:

Union des Assurances de Paris and Executive Re of the United States, which specializes in liability insurance for company officers and directors, are forming a venture to provide liability insurance in Europe.

GPA Group PLC's lead hanks were in final discussions for the extension

• The Bank of France's foreign-exchange reserves, depleted by the defense of the franc in July's currency crisis, improved to a negative 162.7 billion francs (\$27.8 million) on Aug. 19, from a negative 175 billion

• The International Monetary Fund warned Sweden that its hudget cuts should be doubled to 20 billion kronor (\$2.45 billion), the business daily Dagens Industri said.

· Leu Holding AG, majority-owned by the financial group CS Holding. reported a 23 percent rise in operating income for the first six months of 1993, to 89 million Swiss francs (\$60 million).

• Reuters Holdings PLC said its offer to buy hack 25 million common shares for a total of £350 million (\$522 million) was heavily oversubscribed, with tenders received for 164.34 million shares.

withdrawn at the eod of August would remain valid until the end of 1993.

• The Russian Central Bank said small-denomination notes due to be Bloomberg, Reuters, AFX, AP

### LOPEZ: VW Offices Are Searched GATT: Kohl Shifts Toward Paris on Farm-Subsidy Dispute With U.S.

Continued from Page 11

company welcomed the "progress" in the public prosecutors' investigation and would "support the inves-tigation with the means available to us" and "do everything to allow the situation to be clarified as soon as

Another VW spokesman, Lutz Schilling, said on German televi-sion that the company continued to stand by Mr. Lopez.

the press and among automotive analysts this month that Mr. López's days at VW may be num-

In an interview published Thursday in Die Zeit, VW's supervisory board chairman, Klaus Liesen, ap-peared to hedge his support for Mr. Lopez, saying: "I will put my hand in the fire for no one - and I have never done that up to now - as long as an investigation is under way and I am responsible for the But despite such assertions, there investigation being carried out ob-has been increasing speculation in jectively."

### Continued from Page 1

eign Minister Klaus Kinkel rejected any effort

to renegotlate it. Mr. Kohl called Thursday for a compromise to the deadlocked talks, which are considered particularly import for export-dependent nations like Germany.

But the chancellor added, "We, the Germans, and especially our French friends, have enormous problems with the agricultural part of the agreement." He did not elaborate on his objections, but said it would be improper to put the French in the "defendant's chair" over farm

Mr. Balladur reiterated French opposition to the Blair House agreement and said France would oot accept further cuts in agricultural exports. He said he would send Germany new proposals next week in advance of a special meeting in September of Community foreign

"Europe should affirm its personality and identity in the trade negotiations and have the means to defend its essential interests" as in "other large countries or large economic zones

and agricultural ministers.

[The German chancellor also reaffirmed his commitment to adhering to the timetable for

economic and monetary union set out under the Maastricht treaty, news agencies reported from Bonn. He had indicated a few days ago that the timetable might have to be put back hy one or two years in the aftermath of last month's currency crisis.

[Mr. Balladur said the second phase of European monetary union should go into effect this coming Jan. 1, as planned.

[Mr. Kohl agreed and stressed that EC members joining monetary union must meet the Maastricht criteria. Mr. Kohl said Germany would gladly introduce monetary union abead of time if the criteria were men]

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have already been set free by the past four months.

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the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press DIV YId PE 1005 High Low Latest Orga

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Compact Targets Home Computer Users

Compiled by Our Staff From Dispatcher

PARIS — Compact Computer Corp. announced Thursday a line of computer Corp. announced Thursday a line of computers bundled with software and features means to attend to the machine," said Jon Hulak of BIS In the United States, the 425 has a fax/modem

In Europe, Compact agreement to attend to the machine, and the computer of the computer of the machine, and the computer of the machine, and the computer of the compu

with software and features meant to attract home users, a fast-growing segment of the market.
The Presario 425 computers have a suggested base price of \$1,399 in the United States and the equivalent of \$1,450 in Europe, although the American model has more features and programs. Compaq said the products would be available in Asia at an unspecified later date. Analysts said Presario was a powerful, though

not cheap, offering for consumers. "They didn't

skimp on the machine," said Jon Hulak of BIS Strategic Decisionsm Norwell, Massachusetts.

In Europe, Compaq announced the Presario CDS625, a multi-media machine with a compact-disk data drive priced at \$2,200. A machine geared to professionals working at home, the Presario 633, was priced at about \$1,299 in the United States and \$1,350 in Europe but does not include a monitor, which is part of the 425.

The 425s use Intel Corp.'s 80486 processor and have hard disks of 100 or 200 megabytes, depending on the country, for data storage. depending on the country, for data storage. They come with Microsoft's Windows 3.1 oper-

month on Prodigy and America On-Line, which offer information and other services to users via the moderns and phone lines. Quicken, a person-

the moderns and phone lines. Quicken, a person-al-finance program, is also in the U.S. system. The European version will include Claris-Works 2.0, a word processor, spreadsheet, and graphics program by a subsidiary of Apple Com-puter Inc. (NYT. Reuters)

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For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

### Japan Fears a New Slump High Yen, Cold Weather Brake Economy

TOKYO - Japan's struggle to revive its slumpbound economy could suffer a setback from the high yen and this summer's cold weather, government offi-

cials and analysts said Thursday. "For the coming several months the Japanese economy will be following a risky path, like skating on very thin ice," said Soichi Enkyo, deputy general manager of research at Bank of Tokyo, "The risk of a double downturn is increasing. We haven't fully calculated the effects of the cool the effects of the cool summer but the impact of the high yen will be great.

The strong yen hits corporate profits of exporters, while the cool summer has meant slow sales of airconditioners, refrigerators and summer clothing. The government has been waiting anxiously for signs that the economy has bottomed out and turned toward a recovery, especially after it enected a hige, 13.2-trillion yen (\$125 billion) stimulative package in April.

On Thursday, Prime Minister Morihiro Hosokawa told the upper house of the legislature that he was worried about the effects of the cool sammer and the

And at a joint news conference, two officials of the

Ministry of International Trade and Industry spoke of the possibility of a "double dip" slump. A MITI vice minister, Otohiko Endo, said: "It is said that Japan's economy may hit a second bottom. I think that is a possibility." He said Japan should consider an income-tax cut as a further stimulative measure.

Another MITI vice minister, Sadao Wada, said the economy would not show signs of recovery in September, as the Economic Planning Agency had previously

Mr. Enkyo believes negative factors could pull down inflation-adjusted economic growth for this fiscal year, ending next March, to around 1.5 percent from his previous estimate of around 2.6 percent.

The Japan Research Institute was even gloomier, predicting in a report Thursday that inflation-adjusted

gross national product would grow only 0.8 percent in the year to March 31, unchanged from 1992-93. The government's official forecast for growth is 3.3

Although the economy improved in the first quarter of 1993, economists are looking for a downturn in the second quarter, and now a bigger plunge for the third

### China's TV Due to Get U.S. Outlet

BELJING - China Central Television, the country's national broadcaster, is leading a group that is offering a new satellite-television service in North America, the Xinhua

news agency said Thursday. The service, called America Asian Satellite Television Network, is scheduled to begin operations this weekend and to transmit to most of North America and parts of South America from a main office in Chicago, Xinhna said.

Other members of the group include 20 local Chinese television stations, several large Chinese companies and Chicago Chinese Communications Corp., also known as 3C Group, Xinhua said.

"It is a new stride for Chinese TV programs to enter the world," a spokesman for Chi-na Central Television was quoted as saying.
The network is scheduled to

broadcast 12 hours a day, de-livering Chinese programming that will be re-edited and transmitted by 3C Group, Xinhua said.

Japan's Penta Ocean Construction Co.

New H.K. Airport Contract

HONG KONG — A Japanese-French consortium was awarded a 1.72

billion Hong Kong dollar (\$220 million) contract Thursday for land reclamation as part of Hong Kong's airport project, the government said. The consortium includes Dragages & Travaux Publics, a unit of Bouygnes SA, and Bachy Solétanche Group, both of France, as well as

The territorial government has now awarded 29 contracts worth 38.2 billion Hong Kong dollars in connection with the \$21 billion airport project. The airport, under construction on Chek Lap Kok Island, is to be operational by 1997, when Hong Kong reverts to Chinese rule.

China has expressed concern over the cost of the airport, saying that it

would deplete the colony's fiscal reserves before the Chinese takeover.

Under the new contract, the French-Japanese consortium is to begin

work next month on the four-year project to reclaim land along the waterfront in downtown Hong Kong. The contract was awarded by the government Mass Transit Railway Corp., which is responsible for building a railroad linking the area with the new airport.

### **Swire Cites Cathay** In 17% Profit Slide

Compiled by Our Staff From Dispatches HONG KONG — Swire Pacific Ltd. on Thursday blamed the poor

results of its airline, Cathay Pacific. for a 17 percent slide in net profit in this year's first six months The aviation, real estate and manufacturing concern said profit fell to 1.8 billion Hong Kong dol-

lars (\$232.2 million), from 2.18 billion dollars a year earlier. The profit was toward the lower end of analysts' expectations, which ranged from 1.75 billion dol-lars to 2.10 billion dollars.

Revenue rose to 19.62 billion dollars from 18.95 billion. On Wednesday, Cathay said a 17-day strike by cabin crews early in the year and recession in Europe

and Japan were behind a 46 percent fall in its first-half net. Swire Chairman Peter Sutch said be expected strong property results to continue but called the outlook

for the aviation industry uncertain. Swire's board has recommended unchanged interim dividends of 29 cents for each A share and 5.8 cents per B share. The company said first-half earnings equaled 1.14 dol-lars per A share and 22.7 cents per

Analysts said results apart from Cathay were strong, with Swire's real estate and manufacturing arms turning in good performances.

### Japan Railway

(AP, Knight-Ridder, Bloomberg)

ness is in Cathay itself, and that has

contributed around half of oretax

earnings before," said Peter Chur-

chouse, regional research director

Sware's profit in the first half of

1992 was inflated by a 630 million

dollar gain from the sale of a long

leasehold on a property site. Its

first half came to only 425 million

Mr. Churchouse said be was im-

pressed by a 29.3 percent rise in

Swire's rental income, to 1.03 bil-

lion dollars from 798 million dol-

lars, reflecting the leasing of a new

office building and some increases

businesses showed satisfactory im-

provement but said profit in its trading operations slipped because of difficult conditions for its cloth-

ing business in the United States.

Swire said its manufacturing

in rents on other buildings.

at Morgan Stanley Asia.

Compiled by Our Staff From Dupatches TOKYO — Bidders sought a far bigher-tban-expected 2.68 million shares of East Japan Railway Co. on Thursday, more than four times the 600,000 shares being auc-tioned. Japan National Rail-

At 2d Auction

way Settlement Corp. said. The company said bids that were accepted ranged from 352,000 yen to 623,000 yen (\$3,394 to \$6,007) a share, It said the final offer price would be set Monday and was likely to be either a weighted average or the price that had attracted the most bids.

### Investor's Asia Tokyo Hong Kong Hang Song 20000 规加 1700A Transday Close Prev. 7,449.08 7,255.58 +2.53 Hong Kong Hang Seng Singapore Straits Times 2,010.19 1,976.09 1,841.50 1,922.60. +0.98 Sydney Atl Ordinaries 20,521,45 +0.34 Tokyo Nikkai 225 Kusis Lumpur Composite +0.99 Bangkok SET 795.10 -1.33 Composite Stock +0.20 3,976.59 3.984.67 Weighted Price 1,777.77 -0.48 1.769.22 Composite 398.49 +1.77 405.56 Stock Index 1.984.08 +0.48 1,093,58 NZSE-40 1,254.00 1,249.60 +0.35 National Index Bombay

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### Very briefly: Oversubscribed

An additional 1,4 million shares were auctioned early

 Quantum Emerging Growth Partners CV, a Hong Kong-based unit of Quantum Fund, which is managed by the investor George Soros, pur-chased 8.23 percent of Equity in Industry Ltd., the target of a stock-swap takeover bid by a fellow Australian gold-miner, Resolute Resources Ltd. China's urban inflation ran at a 23.3 percent rate in July, up from 21.6 percent in June; grain, fuel and clothing prices rose the most.

 Hong Kong's trade gap fell to 8 18 million Hong Kong dollars (\$105.5 million) in July from 2.80 billion dollars a year earlier, reflecting a surge in reexports, goods shipped through Hong Kong without alteration. Re-exports were up 26 percent, to 76.5 billion dollars, while domestic exports fell 0.1 percent, to 21.37 billion and imports rose 16 percent, to 98.69 billion.

Hongkong & Shanghai Hotels Ltd. said its first-half profit had risen 12.0
percent this year, to 178 million dollars, reflecting increased occupancy at
all of its Hong Kong hotels except its flagship, the Peninsula, which is

Fuji Bank, Dai-Ichi Kangyo Bank and Bank of Tokyo plan to cut sbort-term prime rates by 0.25 percentage point, to 3.75 percent, next week, joining three other Japanese banks that announced similar moves

 Indian Oil Corp. awarded a \$370 million contract to Skodaexport AS of the Czech Republic to lead construction of a 1,440 kilometer (892 mile) oil pipeline in northern India, the Czech daily Hospodarske Noviny reported. · Philippine Airlines said it would take delivery of six aircraft made by Airbus Industrie in 1995 instead of 1994; it had previously said it would defer the planes because of potential overcapacity.

Reuters, Bloomberg, AFP, Knight-Ridder

economy recovered, they would

### Where Law Is a Dinosaur 'Jurassic Park' May Get Monster Headache

HONG KONG — Steven Spielberg's "Jurassic Park," besides being a monster hit with movie audiences around the world, is quickly becoming a lucrative source of revenue for counterfeiters of its mountains

of related merchandise. In the last two weeks, unli-censed Jurassic T-shirts, badges, cups, puzzles and toys have been flooding into the offices of Wilkinson & Grist, the Hong Kongbased law firm representing MCA Inc.'s Universal City Stadios and Amblin Entertainment, the companies behind the movie and its merchandising efforts.

But enforcing copyright and. trademark rules may prove difficult. In many cases, getting a patent for a toy version or image of an ordinary flesh-eating Ty-rannosaurus rex is beyond the abilities of any lawyer, analysts

and attorneys said. The counterfeiters may steal a lot from the true heensee, as you just can't patent a dinosaur.' said Donald Keyser, a financial analyst at Baring Securities.

Products related to Jurassic

Park" may fare badly compared of unauthorize with, say, the Teenage Mintant to the movie.

Ninja Turtle action figures, which are unique and therefore easier to defend in court against

counterfeiters, he said. "It is going to be impossible to enforce any trademark or copy-right unless the pirated goods say 'Jurassic Park,'" Mr. Keyser said.

Andrea Fong a lawyer in the intellectual-property department

'You just can't patent a dinosaur.' Donald Keyser, financial analyst at Baring Securities

at Wilkinson & Grist, acknowledged the problem, saying, "We have no monopoly on dinosaurs."

Still, in a recent notice in Hong Kong newspapers, Wilkinson & Grist warned that Universal would take vigorous action against anyone involved in the copying, manufacture, sale, importation, distribution or display of unauthorized material related

**NEC Lowers Domestic Earnings Estimate** 

The legal notice was what trig-gered the flow of dinosaur likenesses and other goods to the law offices, many of them sent in by private investigators who promised to supply additional informa-tion on their source of supply for

In Asia, the problem is com-pounded by weak laws on intellectual property and trademarks in some countries and by the fact that 90 percent of the licensed merchandise is being made in China or Southeast Asia, said Orrin Ezralow, director for international licensing at Plaything Mer-chandising Co., MCA's licensing agent for southeast Asia.

In some cases, manufacturers or their employees simply pro-duce more of an item than their license permits and distribute the additional production through hawkers or street vendors.

The problem with that is the articles look gennine but are being supplied to mauthorized parties," Ms. Fong said.

But Mr. Ezralow said he would advise Universal to take the pirates to court even if the case might cost more than any compensation it could receive.

### PROFIT: Japanese Companies Show Resilience, but Recession Is Starting to Take a Toll

panies also reflect the ability of from investments in new equipmanagement to reduce labor costs.

In addition to squeezing suppliers for lower prices, managers have reduced interest extracts have reduced interest extracts. slashed overtime and bonuses and limited new hires to a trickle. The trend will slow employment

Barker, an economist at Baring Se-

can't hide the fact that operating 2.5 to 3.5 percent over the next year.

Managers have also slammed the Managers have also slammed the The earnings of Japan's big com-panies also reflect the ability of from investments in new equip-

from the strong currency, which growth to zero in the year through has made many imported component March, according to Geoffrey nents cheaper in yen terms. Over-on corporations will remain enorseas sourcing will increase with the mous. Most will face a choice: ven's rise, a development that will maintain the status quo and accept help narrow the nation's whopping trade imbalance, but one that will burt smaller Japanese suppliers.

Despite the cutbacks, international competitiveness has suffered little, largely because companies

unemployment rate would rise from binged on capital spending during downsize and cut out many produce 1980s and cut out many products to 3.5 percent over the next year. into the early 1990s. In addition to modern and often underutilized production facilities, many compa-nies are hoarding technologies that could be developed if market de-

mand picked up. Still, with many economists fore-Companies are also profiting casting the Japanese economy to grow less than I percent in the year

bigger losses, or shore up the bot-tom line by further streamlining.

"Most will remain marginally profitable," Mr. Goto said, refer-ring to the vital electronies sector.

"But they're going to have to really

Declining Japanese corporate capital investment will not bottom out until the 1994-95 financial year or later, according to a survey by Long-Term Credit Bank of Japan, Reuters reported from Tokyo. Corporate capital investment

will remain weak in the 1994-95 financial year, which ends on March 31, 1995, falling 1.2 percent from the year for a third straight

year-on-year for a third straight year-on-year decline.

The bank carried out the survey of 1,660 companies, including 845 major corporations, in July.

Of the companies responding, 45.1 percent said that even if the

take a cautious stance toward in-creased capital investment, and ■ Sinking Investments 15.6 percent said they would reduce investment.

In 1993-94, corporate capital investment will fall a record 2.6 percent from the year before, exceeding the previous year's first-ever year-on-year decline of 0.1 percent,

In 1993-94, capital investment by manufacturers will fall a record 11.7 percent

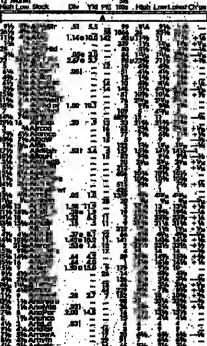
### TOKYO - NEC Corp. slashed its forecast for May but up from 18 billion a year earlier.

annual parent-company profit by 40 percent Thursday but left its worldwide earnings estimate unchanged,

Blaming a protracted shimp in the electronics industry and a slow recovery in Japan along with a stronger yen, NEC said it now expected to post pretax earnings of only 30 billion yen (\$287 million) in the \$1993-94 year, which ends next March 31. That would

be down from its initial projection of 50 billion year in

The company left its consolidated forecast un-





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would reverse last year's disastrons group loss of almost 38 billion yen.

NEC cut its sales forecasts from the original estimate of 3.03 trillion yen to 2.960 trillion yen for the parent and from 3.7 trillion yen to 3.63 trillion for the group. THE PARTY OF THE P 

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# SPORTS SOCCER

# French Disciplinary Hearing Postponed

Compiled by Our Staff From Dispatches
PARIS — The French soccer federation put off Thursday the meeting at which its president had said sanctions would be levied in the Olympique Marseille matchrigging case, virtually clearing the way for the European champion to

defend its crown. A federation spokesman said the league's disciplinary committee had called off hearing Friday after five of the eight people it had summoned asked for the meeting to be

João Havelange, president of the international governing hody FIFA, told the newspaper France Soir in an interview published earlier Thursday that he expected French officials "to take decisions and we will support them with all

"FIFA cannot tolerate affairs of

offending again. The guilty parties must be severely punished."

Under French league rules, a FIFA, which is based in Geneva, person cannot be punished until he

or she has been heard by the disciplinary committee. The spokesman said the committee would still meet Friday, but to set a new date for the hearings.

It appeared that the hearings were unlikely to take place before Monday, the deadline set by the UEFA, the European governing body, for the French league to rule on whether Marseille can defend its European title or to name another

Marseille is to play AEK Athens on Sept. 15 in the first round of the European Cup.

Andre Vieli, a spokesman for UEFA, said from its headquarters in Berne, Switzerland, that "we're waiting for the position from the this kind," Havelange added.
"Cheaters must be dissuaded from seille could still be barred from

declined to comment on the latest French decision.

The French federation said in a statement that the hearing had been postponed for at least a week because, of the eight people sum-moned, only the Valenciennes team's president, Michel Coencas, had confirmed that he would ap-

The federation said that if the others — Bernard Tapie, Olympi-que's president; Jean-Pierre Bernès, who has resigned as Mar-seille's general manager, Jean-Jac-ques Eydelie, the Marseille player who has admitted offering bribes. and the Valenciennes players he contacted, Christophe Robert, Jorge Burruchaga and Jacques Glassmann — did not appear at the second meeting the case might be heard without them.

Marseille would be allowed at least to start its defense of the title but that several players could be sus-

The three Valenciennes players have said they were offered money to play poorly and lose a league match against Marseille on May 20, six days before Marseille beat AC Milan in the European Cup

There have also been allegations that Valenciennes officials tried use the alleged bribes to hlackmail Marseille into settling for a draw. The 1-0 victory virtually assured Marseille of its fifth consecutive league title. A draw would have

to the second division. Bernes, Eydelie, Burruchaga, Robert and Robert's wife — who Robert and Robert's wife — who has addited that Olympique Marseille has addited receiving money from is not worthy to represent France?"

(Reuters, AFP, AP) - have been formally

saved Valenciennes from relegation

The league's president, Noël Le placed under judicial investigation, Graet, had indicated this week that a legal step that can lead to being

charged with a crime. The investigation of Tapie is centered on allegations by the Valenci-ennes coach at the time, Boro Primorac, that Marseille's millionaire owner offered him money and job opportunities if he would tell authorities that he was behind the bribe offer.

Glassman was the first to make public the accusations of match-

rigging.

Andre Soulier, a former chairman of the federation's disciplinary com-mittee, said that no action should be expected in the near future.

"I cannot see how any decision can be taken by the French federation before the Sept. 15 first round match against AEK Athens," he added. "What will we do then if it is Was Pervasive, Documents Show said Hans-lorg Geiger, vice-president of the office

The papers said anabolic agents and steroids BERLIN — The secret police in East Germany controlled massive drug taking programs for the former Eastern bloc country's athletes, according to official documents released here Thursday. of Stasi archives. were developed and tested at the Institute of Research into Physical Culture and Sport in Leipzig. More than half of the institute's management were The papers, released by federal German authori-

Stasi informers, the documents add. The substances were then mass produced by the ties probing the Stasi archives, indicate that drug-Jenapharm company in Jena, and the institute distributed the drugs and controlled the dosage while the Stasi made sure the drugs were kept The taking of performance enhancing sub-stances in East Germany and the rest of the former Communist bloc was first admitted after the reuni-

Foreign visits by athletes were controlled like state visits. Delegations were packed with Stati agents recruited in clubs, sports schools, training centers and even hospitals. Many top athletes were

According to the documents, 35 of East Germany's 176 athletes at the 1980 Winter Olympics in Lake Placid, New York, were secret police informers. Ten of the 61 coaches, 16 of the 70 team officials and 9 of the 45 journalists were agents. "The Stasi knew everything about sport in East Germany, controlled all of its drug programs and guaranteed absolute secrecy for those involved,"

### U.S. Collegians Find Israel Past, Present

By David Hoffman

JERUSALEM - In the morning, the Georgetown Hoyas were on their feet, learning about the history of the Jews in exile. In the evening, the Hoyas were on their feet again, learning about Mickey

Berkowitz is a baskethall legend in Israel, where he has played for two decades, leading Maccabee Tel Aviv to a string of international tri-umphs in the late 1970s and 1980s. He's now 39, and just this week appeared for the first time with his new team, HaPoel Jerusalem.

It was an exhibition game on a workday evening, but 1,000 fans crowded into the gym to see their new star. The other players call him simply "The Legend."

The Hoyas saw why. Berkowitz was everywhere, and led HaPoel to a 68-63 victory over Georgetown. The Hoyas, who had been touring Israel in the morning and playing basketball at night, seemed tired and foundering at first, then fought back. But it wasn't enough to overcome Berkowitz, who started play-ing hasketball when most of the Georgetown players were toddlers.

It was all part of what the Hoyas' coach, John Thompson, described getting a "taste" of history and squeezing in some hasketball, too. the ball, not only to intercept it, but on a 12-day tour here with five also to completely undermine the exhibition games. Thompson said he takes his teams on such tours every four years to broaden their days of the opponent." HaPoel player David Henderson told Ma'ariv. horizons. (Incoming freshmen are not permitted to go, however, un-der NCAA rules.) This trip was sponsored hy the university with help from such local sponsors as the newspaper Ma'ariv and a Nike

At a reception in the home of an Israeli family, a couple of the playdistributor.

From Nazareth in the north to the Dead Sea in the south. Thompson and his players have been crisscrossing the country in the hlistering summer heat by day, and playing before enthusiastic Israeli

shared by both Israelis and Ameri-

cans. It's not uncommon for Na-tional Basketball Association regular season games, as well as the playoffs, to be broadcast live here, and some Israeli fans get up at 4 A.M. to watch a game played in the western United States.

All of Israel's organized basketball is in professional clubs. There are no university teams, Since the founding of the state, Israeli sports teams have been identified with political parties and movements, although in basketball they are now trying to become more indepen-dent financially. Most of the support now comes from sponsors and ticket sales. Basketball players are relatively well-paid and the best of them can earn \$300,000 to \$400,000 a year. Each Israeli team is limited to two foreign players.

Thompson said he wanted to mix "both play and cultural experi-ence" on the tour. On the court, his team won its first game and lost the second, then triumphed in the toughest of the five, defeating Maccabee Tel Aviv, 83-82. The daily newspaper Ha'aretz said that io facing the Hoyas, "Maccabee had to deal with an athletic level not

seen in Europe." Even after their loss in Jerusalem, the Israeli team took note of the vigorous Georgetown defense.

According to Thompson, however, the real eye-opener for the Georgetown team has been the sightseeing.

ers stumbled on something that looked like a vanlt. Puzzled, they inquired - and were told that it was the bomh shelter.

Thompson said the players identified with the trauma of Jewish persecution because "a lot of these kids come from a situation where Baskethall is one obsession their ancestors had trouble, too."
He said he wanted the tour to



Dikembe Mutombo of the Deaver Nuggets coaching school children Thursday in Soweto. The NBA is setting up clinics in South Africa.

"We are more concerned with

point'

Still, he said, the players got a

focus on history, so the players did not delve deeply into the current Arab-Israeli conflict. There were no plans to visit Palestinians io the West Rank

Total Tables and Under What Circumstand and United Tables and Under What Circumstand and United Tables and Under What Circumstand and United Tables and Under What Circumstand and Under What C Heights and under what circum-stances Israel could cede it to Syria.

Thompson said Israelis were of-

### SIDELINES

Stasi Role in Athletics and Drugs

taking was even more widespread than suspected

"The intention is to give East German competi-

tive sport a top position to show the superiority of the socialist society over the capitalist society,"

The documents indicate that the Stasi started

taking control of the sports machine in 1971, one year before the Olympic Games in Munich.

fication of Germany in 1990.

said a Stasi circular.

Draw for U.S. Open Favors Courier

NEW YORK (AP) — Top seeded Jim Courier drew a far easier path
Thursday for next week's U.S. Open than No. 2 Pete Sampras and No. 3

Introday for next weeks Stefan Edberg.

Stefan Edberg.

The only real threat to Courier before the quarterfinals would seem to the only real threat to Courier before the quarterfinals would seem to the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous Mali Vai Washington, while Sampras, be the unseeded but still dangerous many than the seeded but sti

Steffi Graf, the women's No. 1 seed and two-time champion, has a half of the draw. potential match in the round of 16 with against No. 13 Mary Pierce, one of the hardest sluggers on the tour. No. 2 Arantxa Sánchez Vicario has a relatively easy draw to the quarters, where she is seeded to face No. 6 Mary Joe Fernandez

### Langer, Rystrom Lead German Open

HUBBELRATH, Germany (AFP) — Favorite Bernhard Lenger and Sweden's Johan Rystrom shot 7-under-par 65 Thursday to share the first round lead in the German Open.

South Africans Retief Goosen and Ian Palmer, Andre Bossert of Switzerland and Heimz-Peter Thuel of Germany were all at 66 to increase the problems for the 13 golfers aiming seeking to win a place on the Rydery Cup team that will play the United States next month.

The top nine players after this tournament will be automatic choices.

The top nine players after this tournament will be antomatic choices.

The top nine players after this tournament will be antomatic choices.

The team's captain, Bernhard Gallacher, will announce his three personal wild-card selections next Monday,

### For the Record

Wayne Greekly, who had hinted at retirement after the loss to the Montreal Canadiens in the Stanley Cup final last season, has told the Los Angeles Kings he will return for his 14th NHL season.

Peter Reid quickly became the first managerial casualty of the English Premier League season Thursday when he was fired by struggling Manchester City; he will be replaced on an interim basis by a former manager Toru Book.

manager, Tony Book.

The World University Games last month in Buffalo, New York, lost \$2.5 million, exceeding the bleakest expectations by more than \$1 million.

### The state of the s What's the Hottest New Trend in the NFL? Bill Walsh's Old Passing System

By Thomas George

New York Times Service
NEW YORK — As the National Foothall League rolls through its preseason games, questions abound about the 1993

We've got answers.

PEANUTS

BLONDIE

incorporating more of this style into its offense to combat higger and faster blitz-ing defenses. Bill Walsh has had a lasting

 What new rule in 1993 will make the most impact? The play clock being reduced from 45 What's the buzzword so far in training

seconds to 40 seconds between plays. Look for plenty of delay of game penalties on offense, especially early. It is a major adjustment and could signal more teams fol-The San Francisco 49ers' passing system. It relies on quick drops and quick reads by the quarterback and shorter lowing Walsh's idea of scripting their first passes that shifty receivers can turn ioto long gains. Nearly every NFL team is correct and timely foot.

What's an offense worth watching in 1993?

The Miami Dolphins. With Keith Byars in the backfield, Keith Jackson at tight end and new receivers Mark Ingram and Irving Fryar, the Dolphins have a potential pass-ing attack second to none in the NFL Chemistry is the key. Quarterback Dan Marino will create it. The primary ingredient with the Dolphins, however, appears to be linebacker John Offerdahl. When he played at least half of a game last year and was not sidelined with stomach ailments, Miami was 6-0.

CALVIN AND HOBBES

on Aug. 30 and on the next day can expand their active/inactive roster to 53 players. Do teams sign free agents they liked but cut or look elsewhere at the bushel of players cut by their competitors? To make that decision, the scouting leaguewide in preseason games has been more intense

than io recent years.

The best of the new head coaches? Two that will succeed immediately are Raiders just yet. Particularly if they finally the Denver Broncos' Wade Phillips and the Washington Redskins' Richie Petit-

PHODEY.

• When will the maddest scramble for players occur?

Teams reduce their rosters to 47 players

bon. Both are former defensive coordinators, both have special relationships with their players and both will take risks and tors, both have special relationships with their players and both will take risks and offer an exciting - and winning - brand of football.

SIAL D

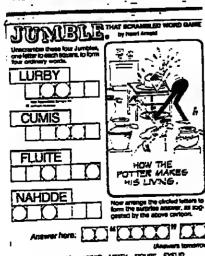
### • Has Al Davis lost it?

Critics say that the vertical, deep passing game has passed the way of the dinosaur and that the way Davis assembles his teams does not match up with trends and personnel in the NFL. Don't bury the get Rocket Ismail signed, the Raiders will be a solid force to 1993.

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# SPORTS BASEBALL

# Jays Stay Game Ahead of Yanks, Braves Sweep Giants to Close to 4½

### For Olerud, 4 Hits, 4 Runs

The Associated Presi The slump John Olerud was in, if

it can be called a slump, is over. Olerud went 4-for-4 with two doubles and scored four runs to lead Toronto to a 10-7 victory over the Cleveland Indians on Wednesday that kept the Blue Jays one game ahead of the second-place New York Yankees in the American League East.

"I feel good, but I've just been getting good pitches to hit and foul-

### AL ROUNDUP

ing them back recently instead of putting them into play," Olerud said.

games, which dropped his major cague-leading average as low as 387, Olerud has now pushed his way back up to .392.

He singled and scored in the sec-ond and third innings and doubled and scored in the fifth and seventh, matching a club record for runs

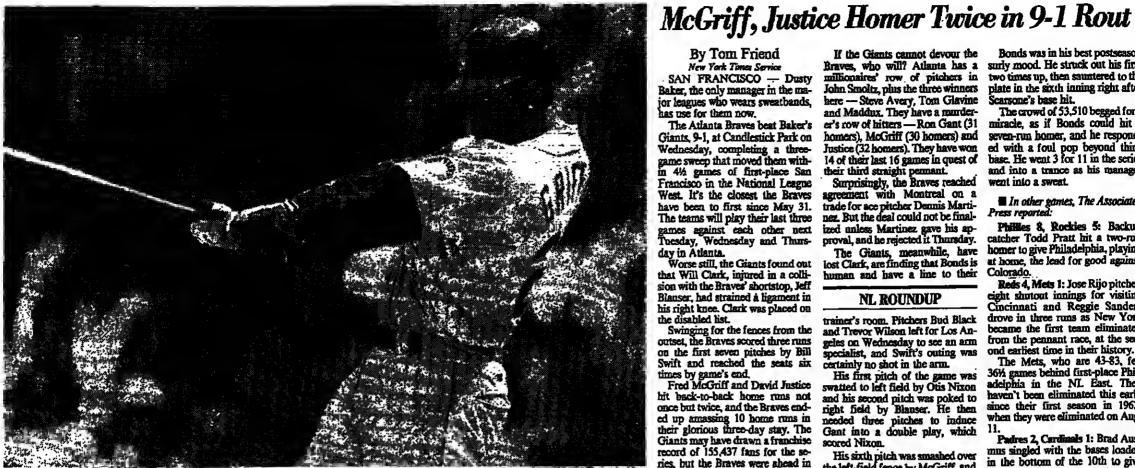
He was walked intentionally for an AL-leading 29th time with one out and Devon White at third in

Paul Molitor, who was 4-for-5 with a double, triple, three RBIs and three runs scored hitting behind Olernd in the lineup, followed the walk with a run-scoring single to make the score 10-6. Molitor, who now has a career-

high 91 RBIs, would have hit for the cycle had he homered in the

Ed Sprague was the other big run producer for the Blue Jays, equal-ing a career-high with four RBIs on two hits and a sacrifice fly. Cleveland starter Jose Mesa was

tagged with eight earned runs on 13 "He didn't have much today," said the Indians' manager, Mike Hargrove.



The Mariners' Ken Griffley Jr. hit his 36th homer, then his 37th, but the Tigers trumped him with Travis Fryman to win, 7-4.

Yankees 7, White Sox 5: Mike Stanley's eighth-inning single broke a 5-5 tie in Chicago as New York won for the 10th time in 14

Paul O'Neill opened the eighth with his third hit of the game, an infield single off Scott Radinsky. Reliever Donn Pall threw away a bunt to put runners on second and third and Stanley followed with his game-winner to center. New York added a run when catcher Ron Karkovice couldn't handle Pall's

Twins 4, Royals 2: Pedro Munoz, with his second hit in 35 at-bats, and Terry Jorgensen singled in runs in the second and the third run scored on a throwing error by sec-ond baseman Keith Miller as Minnesota won in Kansas City.

After the Royals made it 3-2, the Twins got an insurance run on a passed ball by Mike Macfarlane.

Rangers 10, Red Sox 2: Ivan Ro-driguez drove in five runs, three on a first-inning homer, as Texas won its fourth straight and visiting Boston lost its sixth in a row.

seventh. His seventh homer was part of a four-run first against Boston starter Paul Quantrill.

Tigers 7, Mariners 4: Travis Fryman had four hits and four RBIs as Detroit, playing at home, overcame Ken Griffey's 36th and 37th homers for Seattle to extend its winning streak to five.

Angels 2, Orioles 1: California's Mark Langston, who struck out nine in Baltimore, allowed one hit over eight innings to outduel Mike

Rodriguez capped his career Mussina, then Mike Butcher al-night with a two-run double in the lowed one hit as he got the last three outs for his seventh save.

The only hit Langston allowed was a single to center by Cal Ripken leading off the seventh. Langston then committed a throwing error and subsequently lost the shutout. Mussing had his three-game winning streak snapped despite allowing only six hits in eight nnings.

Brewers 12, Athletics 2: John Jaha hit a three-run homer in the fifth as Milwankee, with three four-run innings, beat visiting Oakland. with the Chicago Cabs last season.

John Smoltz, plus the three winners here - Steve Avery, Tom Glavine and Maddux. They have a murderer's row of hitters — Ron Gant (31 homers), McGriff (30 homers) and The Atlanta Braves beat Baker's Justice (32 homers). They have won 14 of their last 16 games in quest of

Wednesday, completing a three-game sweep that moved them withtheir third straight pennant.
Surprisingly, the Braves reached agreement with Montreal on a in 4½ games of first-place San Francisco in the National League West It's the closest the Braves have been to first since May 31. The teams will play their last three games against each other next. Tuesday, Wednesday and Thurs-

day in Atlanta.

Worse still, the Giants found out that Will Clark, injured in a colli-sion with the Braves' shortstop, Jeff Blanser, had strained a ligament in his right knee. Clark was placed on the disabled list.

By Tom Friend New York Tones Service SAN FRANCISCO - Dusty

Baker, the only manager in the ma-

jor leagues who wears sweatbands, has use for them now.

Giants, 9-1, at Candlestick Park on

Swinging for the fences from the outset, the Braves scored three runs on the first seven pitches by Bill Swift and reached the seats six times by game's end.
Fred McGriff and David Justice

hit back-to-back home runs not once but twice, and the Braves ended up amassing 10 home runs in their glorious three-day stay. The Giants may have drawn a franchise record of 155,437 fans for the series, but the Braves were shead in every inning of every game except one: the first inning on Monday.

"If we lose, it's not devastating," the Giants' second baseman, Robby Thompson, said before Wednesday's first pitch. But it would be a little bit of a setback. We've still got a lot of season." Even Baker's revised batting order against the Braves' starter Greg

Maddux - Dave Martinez hittin leadoff, Barry Bonds third, Will Clark fifth — made not so much as a peep. Maddux did not yield a hit until the sixth imning ended up allowing six, fielded his position superbly and looked every bit the

millionaires' row of pitchers in

trade for ace pitcher Dennis Martinez. But the deal could not be finalized unless Martinez gave his approval, and he rejected it Thursday.

The Giants, meanwhile, have lost Clark, are finding that Bonds is human and have a line to their

### **NL ROUNDUP**

trainer's room. Pitchers Bud Black and Trevor Wilson left for Los Angeles on Wednesday to see an arm specialist, and Swift's outing was

certainly no shot in the arm.
His first pitch of the game was swatted to left field by Otis Nixon and his second pitch was poked to right field by Blauser. He then needed three pitches to induce Gant into a double play, which scored Nixon.

His sixth pitch was smashed over the left-field fence by McGriff, and his seventh pitch was creamed over the right-field fence by Justice.

By the second inning, Swift had yielded four runs and eight hits, and by the fifth inning, he had yielded two more tag-team homers to McGriff and Justice. The deficit was 6-0, and Maddux had not allowed a hit. On one hot smash up the middle by Kirt Manwaring, Maddux swang his glove like a tennis racquet and caught the line

Pinch-hitter Steve Scarsone finally broke up the no-hitter with a leadoff line-drive single to center in the sixth, but no rally could be

If the Giants cannot devour the Bonds was in his best postseason Braves, who will? Atlanta has a surly mood. He struck out his first two times up, then sauntered to the plate in the sixth inning right after Scarsone's base hit.

The crowd of 53,510 begged for a miracle, as if Bonds could hit a seven-run homer, and he responded with a foul pop beyond third base. He went 3 for 11 in the series and into a trance as his manage went into a sweat.

### ■ In other games, The Associated

Press reported: Phillies 8, Rockies 5: Backup catcher Todd Pratt hit a two-run homer to give Philadelphia, playing at home, the lead for good against

Reds 4, Mets 1: Jose Rijo pitched eight shutout innings for visiting Cincinnati and Reggie Sanders became the first team eliminated from the pennant race, at the sec-The Mets, who are 43-83, fell 36½ games behind first-place Philadelphia in the NL East. They haven't been eliminated this early since their first season in 1962 when they were eliminated on Aug

Padres 2, Cardinals 1: Brad Ausmus singled with the bases loaded in the bottom of the 10th to give San Diego its victory over St. Lou-

Astros 3, Marlins 2: Mark Portugal, Todd Jones and Xavier Hernandez combined on a three-hitter — though one hit was a two-run homer by Darrell Whitmore — as Houston won in Miami.

Expos 7, Cubs 3: Larry Walker's two-run double capped a three-run first as Montreal beat visiting Chi-

Pirates 2, Dodgers 1: Al Martin hustled for a double leading off the 12th and scored on a single by rookie Andy Tomberlin as Pitts burgh won in Los Angeles, ending the Dodgers' six-game winning

Today's

HOLIDAYS

TRAVEL

Appears

on Page 8

ARTS

THE MAN WHO FOOLED

THE ART WORLD FOR

### Baseball Talks Tilt Toward 3-Division Leagues

By Murray Chass

New York Times Service CHICAGO - Negotiations between owners and players for expanded playoffs and three-division play very likely will be brief and suc-cessful, given the public positions of the two sides, and the new format should be implemented for the 1994 season.

John Harrington of the Boston Red Sox, chairman of the owners' schedule format com-mittee, said Wednesday that the owners are prepared to move quickly to realign the National and American Leagues from two divisions each to three divisions each. The Players Association has indicated it would approve an addiowners took that step.

**SCOREBOARD** 

BASEBALL

Major League Standings

"Absolutely, we're all for three divisions," Harrington said by telephone from Boston. "It's not an impossibility to do it for next season. One of the reasons we were proceeding slowly was to make sure we had given the Players Association adequate time to consider

When the owners approved the additional round of playoffs for next season, they said they wouldn't consider going to three divisions before 1995. Then Monday, Donald Fehr, head of the Players Association, said that the players opposed expanded playoffs that would include two nonchampionship teams but that they would consider the new round if each league's the second-place team with the best record.

If any element could bog down the negotiations, it would be agreement on how the players would be paid for the post-season games.

The sides are to meet Thursday in New York to begin negotiations on the changes.

The owners will meet Sept. 8 and 9. If negotiators for the owners and players agree to the new format, some teams would have to be persuaded that the placement of their teams is important to the overall effort of making the egues more attractive.

If any National League team is to change divisions, it must give its approval. The American League has no veto provision. Approval of

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FOOTBALL Canadian League

Wagner, Dewey (7). Neogle (10) and Prince; Candidil, P. Martinez (7), Gott (11) and Plazza, W—Neogle, 3-5. L—Gott, 4-7,

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American League
-Asreed to terms with Christo

BOSTON—Agreed to harms with Christopher Nison, carriedor.

N. Y. YANKEES—Outland Babby Munac, sitcher, to Columbus, IL. Recalled Sterling Hitchcock, pitcher, from Columbus.

National League

SAN DIEGO—Put Wally Whitehorst, pitcher, on 15-day disabled list, retrouch's to Aug.

28. Recalled Scott Sonders, pitcher, from Lee Veoes, PCL.

SAN FRANCISCO—Put Will Clork, first boseman, on 15-day disabled list.

FOOTBALL

National Football League

CLEVELAND—Signed Tim Warbon, sorkry, DERVER—Columed Mitch Danahus, thre-backer, off wolvers from Son Francisco.

Wolved Kitrick Toylor, wide receiver.

DETROIT—Signed Ryan McNell, carner-back.

back.

L.A. RAMS—Claimed Terry Horgoin, wide receiver, off wolvers from Kansas City Chiefs. Released Joe Johnson, wide receiver.

N.Y.JETS—Signed Dennis Price, delensive back, Wolved Alec Millen, ethnishve tockie, SEATTLE—Signed Terry Wooden, fine-backer, to 1-year contract.

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PC Valendom 4, Combuur Leavworden
Fevranoord 1, PC Twente Enachede 8
Moostricht 1, RKC Westwijk 1
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### Horatio at the Bank

By Russell Baker

TASHINGTON - Horatio Algerio works hard, saves his money under the mattress. When he's got \$1,000, guy says to him, "Horatio, you better put that mon-

ey in a bank."
"Bank?" says Horatio. "What's a bank?

Guy says, "Didn't Papa Algerio tell you anything at all when you

were growing up?"
"Sure," says Horatio. "Papa Algerio said. Son, you save rich men's daughters from runaway horses, they'll give you a dollar per heiress. That's what I been doing

Guy says, "You mean to say you saved a thousand rich men's daughters from runaway horses?" "I admit the work's not creative," says Horatio, "but it keeps

me out in the air." Guy says, "You ever ask yourself why none of these rich papas say.
'As a reward for saving my daughter I want to make you CEO of my

No, that thought has never crossed Horatio's mind. So the guy tells him why. It's because Horatio is putting his dollars under the mat-

tress, not in the bank. Nobody wants a CEO who banks with a mattress, says he. "Put your thousand in a bank and next time you save a rich girl, her old man will say, This Algeric guy is not just a great runaway-horse stop-

per, but also savvy about finance, and he'll give you a big job." Horatio was doubtful. He remembered Papa Algerio's dying words; to wit. "If banks are so smart, how come they lend billions of dollars to Third World countries that haven't got a prayer of paying it back?"

Still Algerio is not getting any younger. In fact, he is losing a step getting to the runaway horses before they plunge the heiresses over the cliff.

So he takes the thousand to the bank, tells the lady the bank should keep it for him. Thousand bucks isn't much these days, says the lady. How does he expect the bank to stay in business if people bring tri-fling sums like \$1,000?

Tells him the hank gets less than 10 percent for lending money.

Ergo, his \$1,000 is worth less than \$100 to the bank. That would hardly pay the vice president's salary for a day, et cetera, proceeding to chew Algerio out, saying he's got a nerve asking the bank to put its fantastic resources at his service for a lousy

one thousand simoleons. Horatio wishes for the cry of a rich man's daughter menaced by runaway horses, so he can flee this humiliation, but it is a quiet day on the runaway-horse front, so all he can do is apologize for annoying

O. K., says the lady, because it feels sorry for him, the bank will take the thousand off his hands for 50 bucks. Horatio says why should he pay the bank \$50 so it can make slightly less than \$100 by lending

Lady says, "The price just went to \$100." It seems they charge peo-ple a \$50 penalty for whining about S1.000? the hank charging them for letting the hank use their money.

Horauo figures what the heck, he's learning about banking. So when the lady says that due to the \$50 charge and the \$50 fine, he'll be depositing only \$900. Horatio says he'll bet she is about to break another piece of bad news.

"You're learning fast, Mr. Algerio," says she, Since he will have a balance of a mere and palury \$900, the bank will charge him a substantial fee every time he writes a check. "I see," says Horatio. "The bank's fantastic resources are devoted to helping the poor get poorer." Lady says she hopes that's not intended as irony or sarcasm as the bank charges \$25 for using irony on bank property and \$79.99 for sarcasm. Horatio says what would a guy who's spent his whole life outrunning runaway

horses know from irony. "In that case," says she, "you figure to be delirious with joy to hear we'll pay 1.9 percent interest on your \$900."

Is that the same \$900 on which the bank collects slightly less than 10 percent interest?" says Horatio. Faraway is heard the cry, "Run-away horse!" Io a flash Horatio is running alongside the terrified heiress. "What's your dad do for a living?" he asks. "He's a hanker," says she. She was the first heiress of Horatio's career to go over the cliff.

New York Times Service

# Elvin Jones: The Heart and Pulse of Jazz

By Mike Zwerin International Herald Tribune

DARIS - Jazz is the music that most closely and consistently reflects the stuff of our times, and Elvin Jones is close to the heart of the beat.

Think about the accents we live with. Energy is multidirectional, cross-referenced, often double-time. Intonacon includes cellular static, the rumble of heavy traffic and the silent sound of stalled systems. The way Elvin falls behind and catches up with the central slot relates to the American definition of "history" as something no longer relevant. But metaphors aside, one thing for sure — the future is too enigmatic to be enlightened by a simplistic grunge

Elvin's elastic, compassionate, urbane, polyrhythmic accompaniment of "the cry" of John Coltrane, with whom be formed a sort of "dream team" 30 years ago, predicted and came to personify the late 20th-century aural urban experience from one end of the spectrum to the other. His

is still the franchise pulse. His drums escorted Allen Ginsberg recording a reading of Blake, he played the role of a swinging gunslinger in "Zachariah," a hippie western (starring a young Don Johnson), his portrait was painted by Larry Rivers ("The Drummer"), he is reading e.e. cummings and T.S. Elliot on the road. An active father figure for the new generation of young lions, be takes great care to encourage them. Asked where the 1.500 student drummers who enrolled in one of his drum clinics in Japan were going to find work, Elvin replied: "You don't have to win the Tour de France to enjoy riding a bicycle. Aided by corporate sponsor-ship, he and his Japanese wife and partner, Keiko, are preparing a production of Puccini's "Madame Butterfly."

The humility is real enough: "I never could comprehend how people could have trouble understanding my time. I never thought I was being that complex. I just try and maintain my own perception of rhythm as support. Because it's all about paying attention to other people and His hrushwork is sensational cause it's all about paying attention to other people and supporting what they are doing. I'm still wrestling to control my own impulses, trying to avoid hitting every-

A kindness in the eyes, a sofmess of voice and balladmeasured syncopation of thought belie the herce physical dimension of someone who has already proved that he is capable of hitting everything at once very hard indeed. A bear hug from Elvin Jones, his version of a kiss on the cheek, can put ribs at risk. Violence is stalking somewhere, you wonder how far under the surface or in the past.

Still, his spirit is expressed above all through myriad forms of cultivation. When he comes off a snare-drum roll on two instead of one or turns the time backward expressly for dramatic effect, he considers himself to be just de-emphasizing the downbeat. It has also been called "multidirectional drumming." This sort of thing is absolutely unacceptable to undisciplined, unadventurous or lazy instrumentalists who consider a drummer's prime function to be the reinforcement of the obvious.

One musician stood up in the middle of a concert and looked under section chairs and music stands, glancing at Elvin and asking in a voice loud enough for the andience to hear: "Anyone seen 'one"? I can't find 'one.' Where did

Elvin was hired by Duke Ellington in 1966, after his six years with Coltrane. For reasons never explained to him but having something to do with either rhythmic or



For drummer Jones, "It's all about paying attention to other people and supporting what they are doing."

political ambiguity, Ellington kept a second drummer on staff. It lasted only two weeks but remains "not one of my most pleasant musical experiences."

Since then he has led his own formation called the Jazz Machine, and although he is not always successful expanding his singularity to collective proportions, he has built a viable, enduring entity with a particularly strong following in Japan. It currently features a sure-fire future, the 19-year-old trumpeter Nicholas Payton, who portrays I out American as much as Direct Cillegia and through Louis Armstrong as much as Dizzy Gillespie and through whom Elvin sees a "mirror image of myself at his age."
"I had that same sort of desire," he said. "Only I was too

shy to just go up and play with everybody the way Nicholas does. I'd sit and listen to people like Jo Jones. Philly Joe Jones [no relation] or Art Blakey rather than try to do it myself right away. I wanted to develop my self-confidence from the inside. But it's harder now, kids have less choices, they have to create their own opportunities. "Of course, you do have all those schools. But the trouble with schools is that you need instructors, and too

many instructors are in schools because they like the safe haven of a campus. It's easy to forget your original noble mouvations and just think about those regular checks." 'Are you saying insecurity is healthy? "I'm talking about some really healthy paranoia." Be

epared for a guffaw and a bear hug. He goes on to cite paranoia as being not too high a price to pay for the privilege of making music with human beings: "Using a machine as a rhythm vehicle is ludicrous. They're only metronomes. Wind them up and they grind time until someone flicks the switch. I know a lot of

ACROSS

1 Unresisting

a Black leopard

15 Unfolds

ne Behind the

people are talking about 'rap-jazz' or whatever they call it. All those electronic gizmos. They say it's a 'real leap into the future' or something like that. I consider it an example the nature or something like that I consider it an example of the depreciation of our value system. I'm constantly amazed, people can sell anything. There's good money in fertilizer. You know — guano."

It is said that at least you don't have to worry about a machine shource we like an donah. This is done to worry about a

nachine showing up late or drunk. Elvin does not consider this to be part of the equation, even humorously. When he was young he worked in a steel mill in Pontiac, Michigan, pouring molten iron out of a Bessemer converter. It could be dangerous work, partly because it's so repetitive. The biggest risk is losing your concentration, kind of like drumming. I remember a guy named Horse who worked at the mill. Horse would drink a pint of Old Grand-Dad with the sandwich in his lunch pail. On-the-job recreation. He said it kept the dust off his lungs. I had total confidence in

him, he could handle it. "Look, this is a sensitive subject but I don't look askance at people who . . . hell, I don't know anybody who drank more than Coleman Hawkins and you never knew it. It may even have made him play better. Whether it's a steel mill or a jazz band, relating to human beings involves basic truths, both positive and negative. They have never changed and never will change. That's why i read poetry. It's universal. I like human beings. That's why

Elvin turns 66 in October. I asked him about retirement. "From what?" he roared. "To where? I'm nuts now, I'd have to go around in a straitjacket if I stopped playing the

CROSSWORD

Got a

### **PEOPLE**

Look Who's Talking: Perot Turns TV Host

Now see, here's the deal: Ross Perot, who's had plenty of practice explaining himself to TV in-terviewers, will switch roles when he is the host of CNBC's Take Live on Sept. 25. The programming executive. Andy Friendly, said the cable network hopes the appearance might lead to a regular program featuring Perot. Perot's guests haven't been announced. They'll probably have some explaining to do.

Well-wishers sent birthday flowers and cards to Mother Teresa, who is recovering from malarial fewho is recovering from mataria rever in a Delin hospital. Mother Teresa turns 83 on Friday, but many celebrated the birthday on Thursday, apparently because Prime Minister P. V. Narasimha Rao's of-fice erroneously released his birthday message to her a day early.

Kathleen Turner built a career playing throaty, sultry vixens, but she's still a Girl Scout at heart. She did her duty by arranging the world premiere of her latest movie. "Unpremiere of her latest move, Ourdercover Blues," in her hometown,
Springfield, Missouri, to benefit a
Girl Scout summer camp. Proceeds
will go to rebuild the lodge and
dining hall at Camp Finbrooke,
which were destroyed by fire in March:

The old routines were still around, but slightly revamped, when David Letterman taped his first show for CBS, "Late Show With David Letterman," which debuts Monday. Letterman, who move over the summer from NBC, went through a top-10 list, now dubbed "The Late Show Top Ten," devoted to things he likes about CBS. No. 1: He can call Laurence Tisch, the network chairman, "Daddy."

The next project for Roger Dal-trey, ex-frontman for The Who, is a pair of albums, one for grown-ups and the other for their kids. The children's album, titled "The Man in the Moon Takes a Night Off," is due out next spring.

INTERNATIONAL CLASSIFIED Appears on Page 4, 8 & 17

### WEATHER

Forecast for Saturday through Monday, as provided by Accu-Weather. North America North America
There is no sign of an end to
the heat wave in the central
and eastern Unced States
this weekend. Cities such as
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Philadelphia will swelter
through early next week.
Locally heavy thunderstorms
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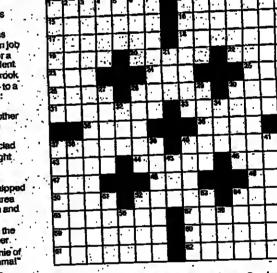
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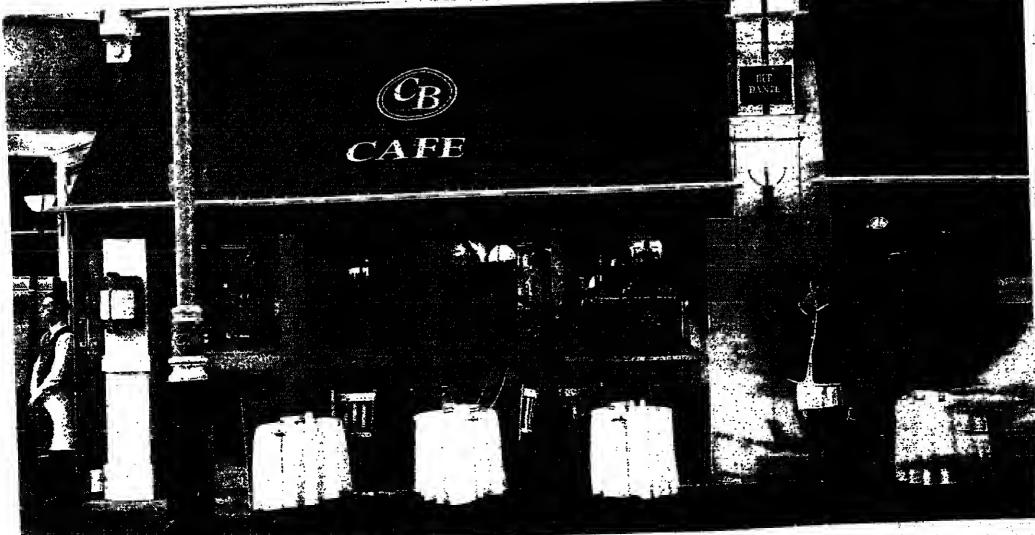
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